

JPRS 81386

28 July 1982

# **South and East Asia Report**

**No. 1172**



**FOREIGN BROADCAST INFORMATION SERVICE**

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28 July 1982

## SOUTH AND EAST ASIA REPORT

No. 1172

## CONTENTS

## INTER-ASIAN AFFAIRS

## Briefs

ASEAN Police Chiefs Agree On Hot Line

1

## AUSTRALIA

'AFP' Reports On Negative Economic Trends  
(AFP, 6 Jul 82) .....

2

## Briefs

Permanent Representatives to UN	4
Lebanese War Victims	4
Ties With New Zealand	4
Aboriginal Leaders	4
Government-ACTU Talks	5
Fiji Water Supply Scheme	5
NWS Coal Deposits	5
Uranium Conversion Plant	5

4

4

4

4

5

5

5

5

## BURMA

Burma Introduces New Citizenship Rules  
(Min Thu; BANGKOK POST, 24 Jun 82) .....

6

Editorial Examines Mining Sector Importance  
(THE WORKING PEOPLE'S DAILY, 29 Jun 82) .....

8

## INDIA

Reign Of Terror In Tribal Villages  
(THE TIMES OF INDIA, 7 Jun 82) .....

9

## INDONESIA

'INDONESIA TIMES' Editorial Views U.S.-PKC Relations (Editorial; THE INDONESIA TIMES, 26 Jun 82) .....	11
Rebel 'Commander' In Aceh Captured (ANTARA, 8 Jul 82) .....	12
Hungarian Medical Assistance Programs Reported (MERDEKA, 18 May 82) .....	14
Home Affairs Minister Reports On Election Campaign (ANTARA, 2 Jul 82) .....	15
Intellectuals Call on U.S. To Review Mideast Policy (ANTARA, 8 Jul 82) .....	17
MP Decries U.S. Mideast Policy, To Visit Embassy (ANTARA, 6 Jul 82) .....	18
International Youth Organization Proposed (MERDEKA, 15 May 82) .....	20
Surbroto Discusses Plans To Meet Energy Requirements (ANTARA, 5 Jul 82) .....	22
Aceh Family Planning Program Meets Resistance (MERDEKA, 26 May 82) .....	23
Defense Minister Comments on Trainers, LST's (SINAR HARAPAN, 22 May 82) .....	26
Indonesia Seeks U.S. Jetfoils For Exocets (AFP, 11 Jul 82) .....	28
Report On Traditional Export Items (ANTARA, 9 Jul 82) .....	29
<b>Briefs</b>	
Thailand Rice Purchase	31
Indonesian-Canadian Energy Agreement	31
Israel Criticized	31
Foreign Leaders' Visits	32

## KAMPUCHEA

GDR's Honecker Greets Heng Samrin on KPRP Anniversary (SPK, 3 Jul 82) .....	33
CPI-M Congratulates KPRP On Anniversary (SPK, 10 Jul 82) .....	34

Chea Sim Attends Kompong Cham Review Meeting (SPK, 11 Jul 82) .....	35
Meetings Mark KPRP Anniversary (SPK, 2 Jul 82) .....	37
Thai Black Marketeer Describes Battambang Conditions, Jail (Prasit Saengrungruang; THE NATION REVIEW, 28 Jun 82) .....	38
<b>Briefs</b>	
PZPR Greetings	40
Cuban Greetings	40
Hungarian CC Greetings	40
Bulgarian Congratulations	41
KPRP Official Tours	41
Interior Ministry Cadres Addressed	41
Cape Verde Official Greeted	42
Kampuchean-CSSR Cultural Cooperation	42
<b>LAOS</b>	
Secrecy To Be Maintained On Party Leadership Biographies (VIENTIANE, 25 May 82) .....	43
Electrification Work, Sales To Thailand Noted (KHAOSAN PATHET LAO, 25 May 82) .....	44
Price Increases, Flow of State Store Goods To Merchants Continues (VIENTIANE MAI, 24 May 82) .....	46
<b>Briefs</b>	
Teachers Seminar	47
Outgoing Polish Ambassador	47
Kaysone Reelection	48
French National Day	48
Provincial Court Seminar	48
Champassak Forest Industry Work	48
<b>MALAYSIA</b>	
<b>Briefs</b>	
Israeli Goods Import	49
Rubber Prices	49
Palestinian Solidarity Assembly	49
Envoy to Indonesia	50
1981 Refined Tin Export	50
June-May Investment	50

**NEPAL**

Government Closing of Papers Protested (THE RISING NEPAL, 20 Jun 82) .....	51
Banning Papers Incompatible With Press Freedom (Editorial; THE MOTHERLAND, 19 Jun 82) .....	52
Better Police Image Urged (Editorial; THE MOTHERLAND, 24 Jun 82) .....	53
Benefits Seen From Implementation of Press Law (Editorial; THE RISING NEPAL, 20 Jun 82) .....	55

**NEW ZEALAND**

Inflation Rate Up To 17 Percent (AFP, 9 Jul 82) .....	57
--	----

**PAKISTAN**

Israel's Policies Termed 'Brutal and Barbaric' (Editorial; DAWN, 2 Jul 82) .....	58
Editorial Cautions Against Dependence on American Aid (Editorial; JANG, 29 May 82) .....	60
Federal Help To Sind For Water to be Extended (DAWN, 2 Jul 82) .....	63
Karachi's Severe Water Problems Discussed (Azmat Ansari; DAWN, 2 Jul 82) .....	64
NDP Leader Protests Discrimination, Lack of Freedom (Wali Khan; JANG, 29 May 82) .....	67
Muslim League Leader Agrees to Nonparty Elections (Pir Pagara; JANG, 27 May 82) .....	69
Editorial Deplores Government Action Against NDP Leaders (Editorial; JASARAT, 27 May 82) .....	71
Shoora Commentary--Members Express Displeasure (Anis Mirza; DAWN, 2 Jul 82) .....	73
Fruit Processing Technology Studies Underway (DAWN, 2 Jul 82) .....	75
Karachi University Campus Clash Reported (DAWN, 2 Jul 82) .....	76

Budget Debate Wound Up; Some Import Duties Withdrawn (Hasan Akhtar; DAWN, 2 Jul 82) .....	78
New Divisions and Districts Come Into Being (DAWN, 2 Jul 82) .....	82
Orangi Now Within Karachi Limits (DAWN, 2 Jul 82) .....	83
<b>Briefs</b>	
Irate Drivers Block Highway	84
Shoora Panel On Corruption	84
Shoora Prorogued	84
Press Workers Demand Allowances	84
Kasuri To Moscow	85
Election Allocation Called 'Farce'	85
Sind Crop Targets Exceeded	85
Breaking Up Import Monopoly	85
Campaign Against Bribery	86
Nasrullah Khan Transferred	86
Nasrullah Permanent MRD Chairman	86
Parallel Government Threat	86

#### PAPUA NEW GUINEA

Somare Seeks Independent MPS' Support (AFP, 5 Jul 82) .....	87
<b>Briefs</b>	
Tribal Warfare Rages in Papua New Guinea	89

#### PHILIPPINES

Mindanao Rebels Hold Up Road Project (PEOPLE'S FORUM, 27-28 Jun 82) .....	90
Editorial Examines Rebel Priest Problem (BULLETIN TODAY, 11 Jun 82) .....	91
CPP Leader In Visayas Captured (PHILIPPINES DAILY EXPRESS, 10 Jul 82) .....	92
Higher Sugar Output Sought (BULLETIN TODAY, 12 Jul 82) .....	94
Muslim Leaders Ask For More Active Role (Nelly Sindayen; BULLETIN TODAY, 10 Jul 82) .....	95
KKK To Balance Regional Development (BULLETIN TODAY, 12 Jul 82) .....	96

Commentator Questions National Livelihood Program (Bubby P. Dacer; PEOPLE'S FORUM, 24-26 Jul 82) .....	97
Commentator on 'PNA' Controversies (Aurelio A. Pena; PEOPLE'S FORUM, 27-28 Jun 82) .....	99
Improved Bank Security Measures Adopted (BULLETIN TODAY, 10 Jul 82) .....	101
Major Industrial Projects Reviewed (BULLETIN TODAY, 10 Jul 82) .....	102
President Petitioned For Radiomen's Release (BULLETIN TODAY, 11 Jul 82) .....	104
<b>Briefs</b>	
Samar Priest Probe	105
Samar Massacre	105
Government Development Plans	106
Anticommunist Drive	106
MNLF Members Killed	106
Squatter Shanties To Go	106
Explosives Plant	107
Publisher's Release Sought	107
Squatter Resettlement Record Cited	107

#### SRI LANKA

Editorial Applauds Recognition of JVP (THE ISLAND, 3 Jul 82) .....	108
Reward Offered For Cop Killers (D.B.S. Heyaraj; THE ISLAND, 4 Jul 82) .....	110
Massive Manhunt On For Cop Killers (Norman Palihawadana; THE ISLAND, 4 Jul 82) .....	111
Editorial Deplores Northern Terrorism (THE ISLAND, 5 Jul 82) .....	112
Establishment of Tamil Eelam Liberation Council Urged (D.B.S. Jeyaraj; THE ISLAND, 6 Jul 82) .....	114
Security At Airport To Be Increased (DAILY NEWS, 22 Jun 82) .....	115
TULF-Communist Union Unlikely (DAILY NEWS, 19 Jun 82) .....	116
TULF Leader Urges Tamil Unity (THE ISLAND, 25 Jun 82) .....	117

Subversive Groups Active in Matale Schools (Wilfred Amunugama Matale; THE ISLAND, 24 Jun 82) .....	118
New Political Party Planned For North (THE ISLAND, 21 Jun 82) .....	119
New Terrorist Boss Takes Over in North (D.B.S. Jeyaraj; THE ISLAND, 24 Jun 82) .....	120
TELF Bid For Recognition (D.B.S. Jeyaraj; THE ISLAND, 25 Jun 82) .....	121
<b>Briefs</b>	
Stolen Money For Terrorists	122
Closing of National News Agency	122
Terrorists Break Into Jaffna School	122
'Bomb Factory' Raided	122
Emergency Coir Cargo To USSR	123
Reconciliation of SLFP Urged	123

#### THAILAND

Athit Political Ambitions Discussed (Wirasak Salayakanond; THE MUSLIM, 12 Jun 82) .....	124
Ex-Deputy Foreign Minister Hits Thai Assistance To Khmer Coalition (BANKGOK POST, 25 Jun 82) .....	126
Police Department Bans Khomeini Books (THE NATION REVIEW, 12 Jun 82) .....	127
Generals Don't Claim Victory Over CPT; Cite LAO-SRV Troop Strength on Border (BAN MUANG, 21 Jun 82) .....	128
RTAF Faces Personnel Shortage, Reserves To Be Called Up (SIAM RAT, 18 Jun 82) .....	130
Editorial Cites Israel As Aggressor In Lebanon (Editorial; THE NATION REVIEW, 11 Jun 82) .....	131
Editorial Blasts PLO, Israelis On Lebanon War (Editorial; BANGKOK POST, 12 Jun 82) .....	132
Editorial Voices Concern Over Unemployment (Editorial Report) .....	134
Foreign Interference in Labor Movement Reported (SIAM RAT, 14 Jun 82) .....	136

Car Assembly Plant Called 'Fiasco' (Trent Bertrand and Pawadee Tongudai; THE NATION REVIEW, 11 Jun 82) .....	138
--	-----

**Briefs**

Piracy Suppression Unit	142
Natural Gas Exports	142
Campaign Against CPM	142
China Buys Rice	143
UNICEF Aid Fund	143
Foreign Trade Deficit	143
EEC Textile Accord	143
Hungary Buys Rubber Sheets	143
Corn Export Figures	143
Tobacco Export	144
Rice To PRC, Indonesia	144
New UNHCR Head	144
New Political Grouping	144
U.S. Investors Group	144
Japanese LDP Economic Mission	145
Operation in South	145

BRIEFS

ASEAN POLICE CHIEFS AGREE ON HOT LINE--Djakarta, 28 June--The five ASEAN police chiefs who recently met in Bangkok have agreed to open a "hot line" between their countries in a bid to facilitate present communications through embassies or Interpol. Indonesian Police Chief General Awaluddin Djamin said here at the weekend. He also told a Press conference that the extradition of criminals between ASEAN countries was among the main subjects discussed during the Bangkok meeting and it was agreed there was an urgent need for an ASEAN extradition treaty, the newspaper ANGKATAN BERSENJATA (Armed Forces) reported. Singapore is the only country without an extradition agreement with Indonesia. The next conference, ASEANPOL III, will be held in Indonesia next year, the paper reported. NAB/AFP [Text] [Rangoon THE WORKING PEOPLE'S DAILY in English 20 Jun 82 p 6]

CSO: 4220/236

AUSTRALIA

'AFP' REPORTS ON NEGATIVE ECONOMIC TRENDS

BK061546 Hong Kong AFP in English 1411 GMT 6 Jul 82

[Text] Canberra, 6 Jul (AFP)--Unemployment in Australia could reach seven per cent of the country's workforce by the end of the 1982-83 financial year which started this week, the Commonwealth Banking Corporation predicted today.

The corporation, which includes the reserve bank, said the downturn in economic activity, deterioration in business confidence and rising labour costs point to a rise in the unemployment rate, currently at 6.6 percent. It could reach 7 percent very quickly.

Meanwhile, THE MELBOURNE AGE said in a survey today that there could be a total level of unemployment "close to or above half a million"--this would be over seven percent of the workforce.

A survey of 21 leading economists from the major banks, merchant banks, manufacturing companies, institutions and top stockbrokers show Australia facing a bleak economic year. This is the most pessimistic outlook the influential newspaper has projected in the last six years.

Based on official statistics, the survey showed a "negative economic growth rate" despite continuous forecasts of improvement from government leaders.

The Australian saving bond rate has risen to 14.75 percent under pressure this week from rising interest rates offered by other investments. In Australian monetary circles the bond rate is regarded as the inflation rate.

A high budget deficit is expected when parliament resumes in August because a balanced budget is now regarded in Australia as politically impossible in face of government promises to cut taxes and the likelihood of a general election by the end of 1983.

Meanwhile, labor opposition leader Bill Hayden told the 35th biennial national conference today that Australia's next labor government had to reach a growth of at least 5 percent a year to cancel out the current period of negative economic growth.

He was supported by Bob Hawke, the former trade union leader who is under a spotlight at this conference because he is regarded as a possible challenger for leadership.

This is the first time a potential Australian prime minister has warned that production must be increased and economic growth be sustained for at least a year "before we can begin to reduce the vast army of unemployed that the Fraser liberal government has created with seven years of stop-start policy making, tight money, high interest rates, low growth and continuing high inflation."

Mr Hayden promised that labour would increase the incentive to work, give businessmen stability and make Australia once again "the lucky country."

CSO: 4220/229

BRIEFS

PERMANENT REPRESENTATIVES TO UN--Canberra, 1 Jul (AFP)--Australia's most experienced ambassador Mr Richard Woolcott, aged 55, has been appointed Australia's permanent representative to the United Nations in New York. Announcing this today Foreign Affairs Minister Tony Street said Mr Woolcott, before his present appointment as ambassador to the Philippines, since 1978, was a deputy secretary in the Department of Foreign Affairs and Australian ambassador to Indonesia. Mr Woolcott has served in many appointments abroad and is regarded as one of the experts on United Nations affairs in the Australian Foreign Ministry. Mr Woolcott will take up his appointment shortly before the opening of the next meeting of the general assembly in September. [BK020751 Hong Kong AFP in English 0700 GMT 1 Jul 82 BK]

LEBANESE WAR VICTIMS--Australia is giving \$2.25 million, that's about the same in American dollars, to help the victims of the conflict in Lebanon. The foreign minister, Mr Street, says the money will be given to the world food program, the United Nations Children's Fund, the Red Cross and an Australian appeal for disaster relief in Lebanon. Mr Street says Australia looks forward to the restoration of Lebanese sovereignty and territorial integrity. [Text] [BK020751 Melbourne Overseas Service in English 0830 GMT 29 Jun 82 BK]

TIES WITH NEW ZEALAND--State agricultural ministers in Australia have told the federal government they are not happy with the current proposals for a closer economic relationship with New Zealand. At a special meeting of the agricultural council in Canberra, the ministers expressed concern that the phasing-out period for New Zealand's import licensing and export incentives is too long. The ministers say the proposed antidumping arrangements are not strong enough and there needs to be greater explanation of the details on related exchange rates. The federal primary industry minister, Mr Nixon, told the meeting that the government had not taken a decision on the closer economic relationship with New Zealand and had not made any commitment. [Text] [BK051000 Melbourne Overseas Service in English 0830 GMT 5 Jul 82]

ABORIGINAL LEADERS--Two Aboriginal leaders say they have been encouraged by a tour they have just made of three African countries. Mr Ossie Cruse and Mr (Mike Anderson), who made the tour on behalf of the National Aboriginal Conference [NAC], said politicians in Nigeria, Zimbabwe and Tanzania were sympathetic and willing to give advice about the problems facing Australian

Aborigines. Speaking in Sydney their return, the two men said one of the aims of the tour was to indicate to African nations that because of its treatment of Aborigines, Australia had broken international covenants on human rights. They emphasized that the purpose of their trip was to persuade African leaders to boycott the commonwealth games, which began in Brisbane in late September. Mr (Anderson), a research officer with the NAC, said that as a result of the tour the problems facing Australian Aborigines were likely to receive more international attention. [Text] [BK110200 Melbourne Overseas Service in English 1130 GMT 10 Jul 82]

GOVERNMENT-ACTU TALKS--The federal government has held talks with trade union and employer representatives in Canberra to discuss the worsening economy. The Australian Council of Trade Unions [ACTU] requesting the talks as a matter of urgency during its pre-budget discussion with the federal government earlier this year. The prime minister, Mr Fraser, said before the meeting began that with the overseas recession hitting hard he hoped that the talks would find a new determination to work together for all Australians. A Radio Australia reporter covering the meeting said it was clear that all parties attending agreed that the economy was in bad shape and drastic action was needed. The leader of the union delegation, Mr Fitzgibbon, said the union had adopted a constructive approach and would be looking for action from the whole community before the present situation slipped further into recession. [Text] [BK070959 Melbourne Overseas Service in English 0830 GMT 7 Jul 82]

FIJI WATER SUPPLY SCHEME--A major water supply scheme built in Fiji with Australian government assistance will be officially commissioned next week. The scheme, about 20 km from Suva, costs \$8 million of which Australia provided \$2 million. It will supply water to about a quarter of a million people in Suva and surrounding areas. [Text] [BK070227 Melbourne Overseas Service in English 0830 GMT 2 Jul 82 BK]

NSW COAL DEPOSITS--New coal deposits have been discovered in the northwest of New South Wales near the towns of Narrabri and Coonabarabran. The premier, Mr Wran, said the coal seams have been discovered during an exploration program in the Gunnedah basin, about 300 km northwest of Sydney. He said the Narrabri deposits were mainly in one seam up to 12 meters thick covering an area of 500 square kms. The Coonabarabran deposits cover a much wider area. Mr Wran said both deposits were up to 600 meters below the surface and would need to be mined by underground methods. [Text] [Melbourne Overseas Service in English 0830 GMT 2 Jul 82 BK]

URANIUM CONVERSION PLANT--The South Australian Government is having an agreement drafted for a uranium conversion plant in the Port Pirie area, about 200 kilometers north of Adelaide. The proposed plant would convert yellow cake from uranium mines into uranium hexafluoride and would be the first step toward the uranium enrichment industry. A feasibility study for the conversion plant is being carried out by the state government and a private consortium. [Text] [Melbourne Overseas Service in English 0830 GMT 6 Jul 82 BK]

## BURMA INTRODUCES NEW CITIZENSHIP RULES

Bangkok BANGKOK POST in English 24 Jun 82 p 7

[ "Letter from Burma" column by Min Thu: "Burma Introduces New Citizenship Rules" ]

[Text]

***THE new measure, according to official statements, is needed because of high risks involving national interests in entrusting state responsibilities to non-nationals, meaning those not of pure Burmese stock.***

**BURMA** aims to introduce a three-category citizenship law if the unicameral People's Congress approves the new draft being placed before the public to solicit their views and suggestions.

The first category would comprise Burmese nationals who are of pure Burmese blood as well as those belonging to the indigenous national races like the Shans, Karens, Kachins, Kayahs, Chins and Arakanese who settled in the country before 1823.

The year 1823 was taken because Burma fought the first Anglo-Burmese War in 1824 and lost its independence after the third war in 1885 when many foreigners came in and resided in the country.

#### FOREIGN

Every national is also

a citizen but those taking permanent residence in a foreign country would not be regarded as citizens, according to the new draft.

The second category is composed of those of mixed blood among these nationals. The third category — naturalised Burmese citizens — includes other races and foreigners who entered Burma as immigrants during the British colonial rule.

Persons who are already citizens in accordance with existing laws when the new law comes into force would also be classified as citizens. Children born of parents one of whom is a foreigner and the other a national, or a citizen or a naturalised citizen would be regarded as temporarily naturalised citizens until they attain the age of 18 when they have to renounce their foreign citizenship and vow loyalty to Burma to

become a naturalised citizen according to the new draft. They would have to make this in one year before they attain the age of 19.

A foreigner who has resided with official permission for five years may apply for naturalisation while one married to a citizen could do so in three years.

Under the existing laws, such rights were given only to females married to citizen males but the new law has given equal rights to both men and women.

While applying for naturalisation they could also put in the list of their children under their control in the certificate of naturalisation to be issued to them.

But here the written consent of the foreign parent is necessary — a condition not provided under existing laws. An applicant for naturalisation would not be per-

mitted to leave the country except when allowed to do so, within five years from the date the certificate of naturalisation is granted, says the new draft.

A citizen or a naturalised citizen would not lose his citizenship by marriage to a foreigner who would also not automatically acquire citizenship or naturalised citizenship by marrying a citizen, according to the new law.

Nationals and citizens would continue to enjoy the status enjoyed by them before this new law comes into force, explained Dr Maung Maung, a member of the Council of State and chairman of the law commission.

Naturalised citizens would also enjoy the rights almost the same as citizens but they would not have the right to be elected to serve political duties or serve as heads of bodies of public services, he said.

Giving associations or families as examples, Dr Maung explained that nationals would be like founding members, citizens full members and naturalised citizens associate members.

The new law would replace the Union Citizenship Act and Union Citizenship (Election) Act that came into force when Burma became independent in 1948.

### CEASE

One would cease to be a citizen should he acquire foreign citizenship and those under 18 would also lose their citizenship should both the parents become foreigners under the new

draft.

They have the right to apply to re-accuse citizenship but these rights would be given only to nationals and children of citizens, the law clarifies.

Citizenship or naturalised citizenship granted to foreigners would be revoked should he be found trading, communicating or abetting with an enemy or a hostile organisation, engaging in acts likely to endanger state security, disclosing state secrets or showing disaffection or disloyalty to the state.

One would also lose his certificate if sentenced to a minimum of one year or a fine of 1,000 kyat for an offence involving moral turpitude within five years of getting the citizenship.

But he could re-apply for naturalisation for this only offence after five years from the date of revocation. There would be no right to re-apply for other offences.

This new law has a provision for stateless persons whose labour would be utilised for the benefit of the state. They could acquire a foreigner registration certificate and apply to reside in the country. But they would have no right to apply for naturalisation.

Anyone failing to surrender his certificate after revocation could be sentenced to five years' imprisonment or a fine of 5,000 kyat.

Anyone who misrepresents or conceals or obtains a certificate in a fraudulent manner or abets in such act would be sentenced to a prison term of maximum seven years or fined 10,000 kyat, the law says.

Under the new law, a central body with three ministers would be formed to handle these affairs but one could appeal to the Cabinet when dissatisfied with its decision.

Because of loopholes and weaknesses in the existing laws, Burma began drafting a new law since 1976. It was placed before the public to solicit their views at the suggestion of party chairman Ne Win.

### TOURED

Official groups toured 11,933 wards and villages in 304 townships in the country to explain the new draft; the commission received 37,186 suggestions. Based on these suggestions this new draft was made and official groups have now begun explaining it to the people in various parts of the country.

After soliciting public views and suggestions it would be redrafted before being submitted to the unicameral People's Congress. The new revised citizenship regulations are now necessary, according to official statements, because there are "high risks involving national interests" in entrusting state responsibilities to non-nationals."

The official pronouncements while admitting that it "will be unfair to label all non-nationals as untrustworthy" adds that in "certain cases their loyalty may be divided" — an indirect reference to the thousands of Chinese living in Burma.

## EDITORIAL EXAMINES MINING SECTOR IMPORTANCE

Rangoon THE WORKING PEOPLE'S DAILY in English 29 Jun 82 p 4

[Text]

**M**INING is one of the priority sectors of our economy having consistently taken the third place in foreign exchange earnings behind agricultural and forests sectors. Although the sector's production fell short of targets under the Third Four-Year Plan, it nevertheless increased from year to year in real terms. The net value of production of the mining sector rose from K 16.89 crores in 1978-79 to K 21.49 crores in 1981-82, having increased at an average annual rate of 8.2 per cent, according to the 1982 Report to the Pyithu Hluttaw. In terms of foreign exchange earnings, the same report states that the value of exports of minerals and gems increased from K 12.35 crores in 1977-78, the base year of the Third Four-Year Plan, to K 65.93 crores in 1981-82, finishing third behind the forests sector, the latter's foreign exchange earnings for the two corresponding years being K 39.81 crores and K 70.61 crores respectively.

The encouraging trend of the mining sector's performance is the result of realistic objectives laid down for the sector to be followed under the Third Four-Year Plan. They are to explore for both surface and underground natural resources, to supply the heavy industries with mineral raw materials and to produce more crude oil and export more. To implement these

objectives, exploration for new mineral resources was stepped up, the tempo of exploitation of on-going mining projects increased and crude production operations intensified under the plan. Geological surveys and exploration operations were carried out on an extensive scale financed with local funding supplemented by UNDP assistance both on land and off-shore.

As a result production of important minerals like tin and silver grew steadily and new oil and natural gas reserves were discovered in the central dry zone and delta regions during the Third Four-Year Plan period.

We have already begun implementing the first year of the Fourth Four-Year Plan. With the State's investment, careful planning all-out efforts by the departments and corporations concerned, we are confident that the growth achieved by the mining sector under the previous four-year plan will be maintained and the 8 per cent growth targeted for this year will be fully met.

## REIGN OF TERROR IN TRIBAL VILLAGES

Bombay THE TIMES OF INDIA in English 7 Jun 82 p 5

[Text] BOMBAY, June 6--For over two months, certain tribal villages in the Danahu, Talasari and Jawahar talukas of the Thane district, have been in the grip of a vicious reign of terror, allegedly unleashed by members of the CPM-led Kisan Sabha. The victims have been landless tribals who, over the last few years, have been associated with the Kashtkari Sanghatana, a tribal organisation which has been agitating for certain basic demands like minimum wages for plantation workers and prevention of the illegal depletion of forests.

At a solidarity meeting held at Danahu yesterday, attended by representatives of the Committee for the Protection of Democratic Rights, the Bhoomi Sena, the Van Niketan, Surya, Rudra and Karma, all independents, non-party organisations, the Kashtkari Sanghatana claimed that more than 135 families had suffered at the hands of the CPM hoodlums. It was learnt that in a series of well-planned, armed attacks on hamlets owing allegiance to the Kashtkari Sanghatana, gangs of 400-500 men broke down huts, smashed their roofs, destroyed cooking vessels and looted clothes and grain, leaving the victims bereft of the basic amenities that would protect them from the onslaught of the coming monsoon.

## Growing Support

For example, the villages of Sukhadamba, Zanoonpada, Shirsonpada and Patilpada were marauded on May 10 and May 19. Similarly, Khinauli villages Khauripada was raided on May 9. In the last two months, there have been attacks on nearly 10 hamlets and the Sanghatana fears that these will escalate since the CPM wishes to annihilate the Kashtkari Sanghatana which threatens a traditional stronghold of the CPM by the growing support it has received from the tribals. These tactics have been used earlier too in October last year when news reports focussed on the terrorisation of villagers in Shisne and Gangan gaon by the CPM activists. Nearly, 20 activists of the Sanghatana are presently hiding in the jungles, fearing for their lives.

So far, the police and other subdivisional officials have done nothing to prevent this terrorisation campaign and Pradip Prabhu of the Kashtkari Sanghatana stated that "given the systematic violence which carries on unabatedly, there is reason to believe that there is some collusion between the administration and

the CPM". He also referred to a provocative speech made by CPM leaders on April 23 which threatened the Kashtkari Sanghatana with dire consequences if they persisted in supporting the organisation. Following this, the villagers of Sukhadamba had asked for the police protection on May 6, but it was pointed out that this was not granted.

The meeting of the non-party organisations expressed concern over this situation. A resolution stated that the atrocities and attacks on the tribals must stop immediately and the police must ensure that no such incidents take place again. The government should accept its responsibility to rehabilitate the victims of these dacoities and the exterrment notices served on Pradip Prabhu and Kaluram Dhangda, both activists of the Sanghatana, must be withdrawn.

CSO: 4220/201

'INDONESIA TIMES' EDITORIAL VIEWS U.S.-PRC RELATIONS

BK120417 Jakarta THE INDONESIA TIMES in English 26 Jun 82 p 2

[Editorial: "Not at the Expense of ASEAN"]

[Text] After receiving the United States assistant foreign minister [as published] for the East Asian and Pacific region, John H. Holdridge, Foreign Minister Mokhtar Kusumaatmaja stated to the press on Thursday that relations between the United States and the People's Republic of China should not harm the interests of Indonesia and the Southeast Asian countries.

Reacting to Indonesia's fears of stepped-up relations between the United States and the People's Republic of China, John H. Holdridge referred to the recent statement of United States Deputy Foreign Minister [as published] Walter Stoessel whereby he gave the assurance that the stepping-up of the United States' relations with China would not demote Southeast Asia into the United States' second priority.

The United States must be aware that the countries of Southeast Asia, especially the ASEAN countries, fear and distrust the People's Republic of China. While professing to be friendly to the Southeast Asian countries, China supports and encourages the communist underground movements in the region. For the same reason Indonesia, up to now, has not yet resumed normal diplomatic relations with China. The United States' relations with China should not increase this fear and mistrust.

On the other hand, these countries are very jealous of their independence and freedom and to have options of their own. Therefore, the United States should deal with these countries on an equal footing and not to entertain any idea to make them its satellites or allies in the same sense of the United States' Western European allies. Particularly, the ASEAN member countries aim at freeing themselves and their region from the influence and interference of the superpowers or any other foreign power.

CSO: 4220/229

REBEL 'COMMANDER' IN ACEH CAPTURED

BK080837 Jakarta ANTARA in English 0806 GMT 8 Jul 82

[Text] Banda Aceh, 8 Jul (ANTARA)--Tengku Rahman Bate Puteh, self-styled "commander" of the Simpang Ulim District and also traditional law head of the Peureulak "Gerombolan Hasan Tiro" [Hasan Tiro Group] rebel movement in Aceh has been captured by special security forces, it was announced by Lt. Col. Hamli, public relations officer of the special internal security command (Laksusda) of Aceh Province here Wednesday [7 July]. He said the rebel chieftain was seized at 11.00 p.m. in the Peureulak area in Aceh Timur (East) Regency Tuesday.

A unit of the special security force in East Aceh Regency also seized a Karel Gustaf rifle and a magazine with 10 rounds of ammunition.

On May 21 last, the press officer said the same security force also captured Idris Mahmud, 39, who called himself "governor" of the Gerakan Hasan Tiro Rebel Movement in Peureulak. The rebel governor was arrested together with three of his aides, Jailani, 27, Said Hasan, 24 and Marzuki, 26, the press officer said.

He reported that the capture of "commander" Rahman Bate Puteh was the fourth successful seizure of ranking rebels by the "B" Company of the special security force commanded by Major Jahdi Husin, Lt. Col. Hamli said.

From the rebel governor and his lieutenants the security forces also confiscated two firearms and 130 rounds of ammunition, a typewriter, old military uniforms, three blue coloured berets, documents and medicines.

On June 25 last the same security squad again had contact with rebels capturing Yasin Ali, who called himself commander of District I of the rebel territory.

He continued that on June 28 another brilliant security roundup was made by the same security forces when they captured Tengku Salim, advisor to the Peureulak rebel governor.

The press officer said that two special security task forces have been set up to deal with insurgency in Aceh Province, one squad company headed by Major Subowo and the now famous company "B" under command of Major Jadhi Husin.

He reported that "A" Company forces on April 15 last shot to death rebels identified as Ilyas Lebee who claimed to be the "justice minister" in the rebel movement, Idris Ahmad, "governor" of Bates territory and Yakop Piah, a rebel logistics officer.

They were shot by the security troops because they resisted capture and tried to flee. Some documents were found at the hiding place of Ilyas Lebee and marijuana planted on two hectares of land.

CSO: 4220/229

HUNGARIAN MEDICAL ASSISTANCE PROGRAMS REPORTED

Jakarta MERDEKA in Indonesian 18 May 82 p 4

[Excerpts] In order to assist health programs in Indonesia, Hungary, which is represented by Medicor [Medical Equipment Exporter], wants to participate in the development of Indonesia's health sector.

According to J. Sajti, assistant trade counsellor at the Hungarian embassy in Jakarta, Medicor is offering cooperation in Indonesia's health development program, which includes supplying instruments and machines that are suitable for interior regions and for doctors' practices.

Furthermore, Sajti said, Medicor also is prepared to participate in and assist the development of local industries which produce medical instruments and equipment.

Medicor began to carry out its mission more than a half century ago in 1920 with less than 100 employees. In 1982 the number of its employees exceeds 8,000.

Medicor is the sole exporter of its own production, apart from medical equipment [it exports] which is the production of other companies. Moreover, it is the only state-owned exporter for medical equipment and acts at once as the supplier of all that is needed in the context of health care in Hungary.

This firm has joint ventures in Australia, Brazil, West Germany, Nigeria, Peru and the United States.

Medicor has built 25 hospitals, including the equipment, in Hungary. Further, it has also handed over a number of hospitals it has built abroad, such as in Peru, Nigeria, Egypt, Algeria, Vietnam, Brazil, Ecuador, Jamaica and the USSR.

In cooperation with developing countries, Medicor also trains local employees so they become skilled workers.

In a medical equipment exhibition in Jakarta several months ago, two-thirds of Medicor's medical equipment was able to be sold, according to J. Sajti, in ending his explanation to MERDEKA.

HOME AFFAIRS MINISTER REPORTS ON ELECTION CAMPAIGN

BK021111 Jakarta ANTARA in English 0815 GMT 2 Jul 82

[Text] Jakarta, 2 Jul (ANTARA)--Home Affairs Minister Amirmachmud has appealed that the past general election of May last is a matter of the past and there is no need to continue making a big issue of it by the Indonesian people.

Of importance was "We must start thinking on how best we can carry out the next general elections, and this is the task and obligation of the entire Indonesian people," the minister declared before Commission II of the House of Representatives here today.

The minister was giving a government statement before the commission chaired by Suharto.

He reported that the country's general election May 4 this year was carried out in agreement with the direct, free and secret principles or known in Indonesian as "langsung umum, bebas dan rahasia-luber" which was beyond doubt as proved by the numerous statements testifying to this effect.

The government was of the same view as Commission II that the experience gained from the 1982 general elections be used as material towards improvement of the organising of the next general elections, Minister Amirmachmud declared.

If closely studied, the minister continued, one would realise that the problems faced mainly lie on how all should obey and apply the rules of the game determined earlier.

According to the minister the campaign period for the general elections in 1982 had been used and exploited by all the parties concerned but factually carried out each according to their own ideas and different in obeying the rules of the game. The campaign had been directed on how these parties concerned could acquire the most votes during the polling.

As a consequence, the campaigning was marked by undesirable events and developments among which excesses, little or no pronouncement about development programs and the putting of emphasis on the gathering of popular masses, the minister

complained. He was understood to be referring to the huge campaign rallies and rioting during the campaign for votes which in some cases resulted in the death of people and heavy damage to public and private property.

The minister also said that with regard to settlement of the cases of excesses during the polling the government was of the view that regardless of the person concerned, those violating existing regulations of the voting would be punished in accordance with valid regulations and procedures, stressing that these steps were taken on clear evidence as without proof it would be impossible to sentence someone.

A most gratifying thing about which the Indonesian people should be proud of, the minister said, was that despite the troubles during the general elections the Indonesian nation remained firmly united. This was only possible because of views firmly founded on pancasila ideology which must be jointly upheld, he declared.

Speaking about the casting of votes, the minister said so far none had demanded that the balloting should be repeated or a by-election held.

He pointed out that the voting had been carried out peacefully and in an orderly manner, and this also applied with regard to the counting of the ballots in agreement to existing regulations and made possible due to close cooperation by all concerned. This also was proved by that so far no reports were received from the vote-counters that there had been foul play or that some ballots were invalid, he added.

In the course of the meeting with the legislators the minister also mentioned the number of seats won by the contests in the elections. He said that the Moslem United Development Party (Partai Persatuan Pembangunan--PPP) won 94 seats in the House of Representatives, the Golkar Functional Groups 246 and the Indonesian Democratic Party (Partai Demokrasi Indonesia--PDI) 24 seats.

The number of registered eligible voters was 32,133,639 people, the valid votes cast 75,126,308 and polling booths 288,621 in the country and 125 overseas.

CSO: 4220/229

INTELLECTUALS CALL ON U.S. TO REVIEW MIDEAST POLICY

BK080723 Jakarta ANTARA in English 0703 GMT 8 Jul 82

[Text] Jakarta, 8 Jul (ANTARA)--A number of lawyers, intellectuals, dramatists and writers have called on the United States Government to review its Middle East foreign policy.

The urging was made in a petition "for the protection of the basic human rights of the Palestinian people" submitted to the United States Embassy here Wednesday by the signatories.

The signatories included T. Mulya Lubis and Abdul Rakhman Saleh of the legal aid bureau LBH, Adnan Buyung Nasution, Mulyana W. Kusuma, W. S. Rendra, Nasir Tamara, Anwar Haryono, Ike Supomo and H.J.C. Princen.

The petition, which was read out before political counselor Francis Joseph Tatou, further asked the United States to support the aspiration of the Palestinian people to have a homeland of their own, and not on the contrary as has been the case "to back up Israel without reservation causing Israel to get ever bolder in ignoring United Nations resolutions and trampling on the conscience of civilized nations in this world.

In another section, the petition urged the governments of peace-loving nations in the world and international bodies to take immediate concrete steps for the restoration of peace and freedom in Lebanon, and to uphold the basic human rights of the Palestinian people.

The signatories also condemned Israel's military actions in Lebanon which have resulted in, not only bloodshed and casualties among the Lebanese and Palestinian civilian population but also in jeopardizing the principles of international relations.

The petition demanded that all Israeli forces be withdrawn without delay from Lebanon and denounced the use of the veto right in international agencies having the effect of supporting the Israeli military actions.

Francis Tatou, the highest authority in the United States Embassy in the absence of deputy chief of mission and with the ambassador's post still vacant, told the delegation he will pass on the petition to Washington.

CSO: 4220/229

INDONESIA

MP DECRS U.S. MIDEAST POLICY, TO VISIT EMBASSY

BK061005 Jakarta ANTARA in English 0729 GMT 6 Jul 82

[Text] Jakarta, 6 Jul (ANTARA)—Amin Iskandar, member of Commission I (Foreign Affairs) of the House of Representatives, has appealed to the United States to apply the declaration of independence of that country to the people of the Palestine.

He found the time for the appeal most appropriate as the United States last Sunday was commemorating its 206th independence [as received] on the fourth of July. In the framework of the commemoration, the MP urged that the Americans should look at their declaration of independence of Thomas Jefferson defending the rights of both individuals and the people in general alike.

Speaking to newsmen at parliament here Monday Amin Iskandar accused that political manipulations had been committed whereby the [word indistinct] had been influenced. Reminding the developments in Lebanon he said that the just and legal rights of the Palestine people to determine their own fate by giving them a free, independent and sovereign land was the basic problem at issue.

He also felt that ways and means should be found on how the invasion into and aggression by Israel of Lebanon causing inhuman sufferings to the people be resolved and ended.

The legislator pointed out that the Palestine Liberation Organisation (PLO) was in Lebanon as a consequence of the fact that these people had not been given the right to determine their own fate by having their own free, independent and sovereign land.

"Let's not talk about the question on how the PLO should leave Lebanon (Beirut) but instead seek a comprehensive solution to the two main problems first," Amin Iskandar declared.

The key to end the cruelties by Israel in Lebanon lies in whether the United States was willing to take firm action by discontinuing all kinds of aid starting from the field of financial, military and political aid to Israel, he suggested.

If the U.S. was willing to take such action, all the Israeli cruelties in Lebanon would automatically come to an end, he believed.

To bring pressure to bear on the United States, the Arab countries should withdraw all their assets from the U.S. as soon as possible prior to using their oil weapon, the Indonesian parliamentarian urged the Arab nations.

He also accused the Soviet Union of being "passive" in the Middle East conflict especially in Lebanon as that superpower was thinking twice before it was willing to interfere in the dispute as the Soviets feared to make sacrifices.

He also disclosed that a seven-member Islamic delegation composed of Sujono, Aminudin Azis, Imron Rosyadi, Bustaman, Tengku Saleh and Amin Iskandar himself, will call on the American Embassy here today to lodge a protest against the developments in Lebanon punctuated by Israeli cruelties.

CSO: 4220/229

INTERNATIONAL YOUTH ORGANIZATION PROPOSED

Jakarta MERDEKA in Indonesian 15 May 82 p 8

[Excerpts] Indonesia and Romania will propose that a new worldwide youth organization be formed so that participation of youth in various international issues can be further increased.

According to plan, the concept will be conveyed in a meeting of the Advisory Committee of the 1985 International Youth Year (TPI-1985) in Vienna, capital of Austria, this June.

So stated Aulia Rachman, general chairman of the Central Management Council, National Committee of Indonesian Youth (DPP-KNPI), after the program Thursday in Jakarta of face-to-face discussions between the chairman of the Advisory Committee of TPI-1985, Nicu Ceausescu, KNPI's Central Management Council and leading figures among Indonesian youth.

According to Aulia, the idea arose because existing international youth organizations, such as the World Youth Committee and the Asian Youth Council, are not functioning as expected.

The concept is also in harmony with TPI-1985's program, whose theme is "Participation, Development, Peace," as has been included in UN General Assembly Resolution No 34/151, 25 January 1980.

The face-to-face discussions were also attended by personages from the Generation of '66, among others Abdul Ghafur (junior minister for youth affairs), David Napitupulu, Akbar Tanjung, Marzuki Darusman (vice chairman of the Asian Youth Council), Farid Wajdi and others invited from student circles, youth organizations and the DPP-KNPI membership.

Meanwhile in the Advisory Committee chairman's group Miss Iunescu Anca Irina, concurrently an interpreter and Romania's ambassador to Indonesia, was seen with Ion Cotot.

According to Aulia Rachman, there is not a great deal of difference between youth programs and organizational structure in Indonesia and Romania. Youth in both countries are trying to increase their participation in the economic, social and political development of their respective countries.

Abdul Ghafur, junior minister for youth affairs, said the TPI-1985 National Committee is currently being formed in cooperation with the various parties concerned. The National Committee will coordinate all youth activities in Indonesia in order to have "a point of contact" with the TPI program.

According to a 1980 assessment, youth affairs are getting the attention of the international community (United Nations) because it appears the increase in the size of the young generation will have serious implications for economic growth and social programs.

UN documentation for TPI shows that the size of the world's young generation in 1975 was 738 million, and it is estimated that it will increase 60 percent to 1.180 billion by the year 2,000. In that period there will only be a 5 percent increase in the number of young people in the developed countries and 80 percent in the developing countries. And in three major regions of the world--Africa, Asia and Latin America--the number of youth will almost double during the quarter century between 1975 and 2000.

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CSO: 4213/62

SUBROTO DISCUSSES PLANS TO MEET ENERGY REQUIREMENTS

BK051152 Jakarta ANTARA in English 0741 GMT 5 Jul 82

[Text] Jakarta, 5 Jul (ANTARA)--Indonesia is determined to raise its present daily oil production to 1.8 million barrels by April 1984 (beginning of the Fourth Five Year Plan) and to two million barrels in the longer run.

To attain these production levels exploration and development of new oil wells, resort to alternative energy sources and efforts to conserve oil will be stepped up without letup, Mines and Energy Minister Subroto stated Friday.

Speaking to newsmen at the Ministry of Mines and Energy Subroto was pleased to note that oil conservation was already beginning to be practised by the public. This was evident from the fact that domestic fuel oil consumption during the first five months of 1982 had increased by only 4.5 percent compared to the last five months of 1981. Indonesia's domestic fuel oil consumption has to date been estimated to rise at an average of 12 per cent a year.

The use of kerosene in particular appeared recently to be declining, Subroto said, possibly as a result of the increasing number of rural areas being supplied with electricity under the government's village electrification program.

In 1980 oil accounted for as much as 80.3 per cent and alternative energies such as coal, natural gas and hydropower for 19.7 per cent of the nation's energy consumption.

The aim now is to increase the contribution of the alternative energies to the overall energy consumption to 39.61 per cent by 1990. This goal can be attained by intensifying oil conservation efforts, lowering the population growth rate and raising the economic growth rate, Subroto said.

In 1981 Indonesia's energy consumption was recorded at a total of 196 million barrels oil equivalent specified as follows: natural/petroleum gas 201 billion cubic feet or 37.44 million barrels oil equivalent, coal 383,000 tons or 1.456 million barrels oil equivalent, hydropower 1,549 mw or 4.375 million barrels oil equivalent and petroleum 153 million barrels.

By 1990 the national energy consumption is estimated to total 432 million barrels which must be met with production of various energies as follows: coal 17 million tons or 48 million barrels oil equivalent, natural gas 467 million tons or 87 million barrels oil equivalent, hydropower 3,500 mw or 28 million barrels oil equivalent, geothermal energy 690 mw or 7 million barrels equivalent and petroleum 262 million barrels.

CSO: 4220/229

#### ACEH FAMILY PLANNING PROGRAM MEETS RESISTANCE

Jakarta MERDEKA in Indonesian 26 May 82 p 4

[Article by Agus MR: "Family Planning Worker in Aceh Labeled 'Baby Killer'"]

[Excerpts] It is indeed not easy to realize a family planning program in accordance with the design that is wanted in Aceh. Besides problems involving smooth communications and transportation, religious fanaticism, which is alive and growing in Acehnese society, also still constitutes a serious area of conflict.

At the present time most Acehnese living in rural areas still believe that "practicing family planning is against religion."

Dr Hamzah Effendi, head of BKKBN [National Family Planning Coordination Board] for Aceh Province, admits that his group is often labeled "Koum Bijeh" (murderers of human seed).

"People often scream at me 'baby killer,'" said Dr Ilyas, information agent and motivator, as he described his bitter experiences when entering rural areas to provide information regarding the importance of family planning.

That is why it is not surprising when Hadi Thayeb, governor of Aceh Special Region, admits his province is indeed categorized as one that is "difficult" for the family planning program.

Several village residents living in the Aceh Besar District spoke sharply in regard to their reluctance to participate in the family planning program. "Why should I take part in family planning?" said a woman who admitted she had four children. "My farmland is still extensive. The distance between my house and my neighbor's is far. Certainly in Java it is appropriate to practice family planning because there are many people and houses close together," she said.

On the other hand, Mrs Hamidah, 42, resident of the village of Simpang Tiga, said she is often mocked and even isolated from associating with her neighbors because it is known she practices family planning.

Several women in that village who participate in the family planning program also admitted they are forced to keep it a secret that they have accepted family planning practices, simply to avoid their neighbors' ridicule.

And in order to obtain the necessary contraceptive devices, the women admitted the devices are often sent secretly by the Rural Family Planning Mail Carriers (PPKBD), whose membership consists of women. These village family planning officers are known by the name Halimah Women.

This situation is of course a bitter pill for the Aceh BKKBN. Nonetheless, its officers have worked hard to constantly promote the program through various means such as approaches to the Islamic learning centers, schools and advanced centers and to Islamic scholars. Gradually the fanaticism of the Acehnese people is beginning to abate, and the number of those who are opposed to the program is becoming less and less.

That is why there is an increasing trend to reach new family planning accepters and to educate the old ones. Although they must clash with obstacles which still are extensive, in the end Aceh has been able to leave phase 1 far behind and enter into the subsequent phase 2, namely the program training phase, because 35 percent of the population of 2,610,926 have been registered as family planning participants.

Likewise, the total figures from data gathered by BKKBN Aceh are quite gratifying because through December, 1981, 21,428 people have been listed as new accepters, 60,029 as active accepters, with a total of 341,136 fertile couples.

Aceh's success in entering phase 2 of the family planning program evidently cannot be independent of the work of the Halimah Women who work at the posts of the foremost rural family planning clinics.

The function of the Halimah Women is to act as a processing agent of the rural community in order to assist the public health centers in distributing contraceptive devices to accepters and at the same time to motivate potential accepters.

There are about 4,000 Halimah Women altogether throughout the province of Aceh. If each Halimah Woman receives 1,500 rupiahs per month as an honorarium, by the end of each month BKKBN must pay out 6 million rupiahs. It means at the end of each year no less than 72 million rupiahs must be expended by BKKBN for this work.

"This sum is indeed a burden, in that budgeted funds are limited. Even worse, the Halimah Women are urging that the 50 rupiah per day honorarium be increased," one of the Aceh BKKBN workers said.

As several Halimah Women pointed out to MERDEKA, they are asking for attention so that BKKBN will consider an increase to the 50 rupiah per day honorarium. "This is too small when compared to our work of having to seek out villages to find new accepters and maintain the old ones, with various risks," said one of the Halimah Women who was unwilling to give her name.

In reaction to these complaints, Mrs Hadi Thayeb, wife of Aceh's governor, expressed her willingness to provide an increase. But when met by MERDEKA at her residence, the wife of the governor did not say exactly how large an increase it would be.

It is fitting indeed if the Halimah Women receive even more serious attention in light of the fact that the work to which they are devoted helps to determine whether or not the family planning program in Aceh Province will succeed.

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CSO: 4213/62

INDONESIA

DEFENSE MINISTER COMMENTS ON TRAINERS, LST'S

Jakarta SINAR HARAPAN in Indonesian 22 May 82 p 12

[Excerpts] All Indonesian Air Force trainer aircraft which were involved in accidents some time ago during training exercises inside Indonesian territory have been completely replaced by the selling countries. So explained [Gen] M. Yusuf, minister of defense and security, at Bina Graha [executive building] Saturday morning in response to questions from the press after reporting to President Soeharto.

The minister was unwilling to explain how many or what kind of trainer aircraft had been involved in accidents. He only said, "Any aircraft involved in accidents have been replaced."

In regard to his visit to South Korea recently, the minister explained that the 2 LST's (landing ship, tank) which were launched at a drydock in Seoul were the 9th and 10th ships launched these past 3 years in the framework of cooperation between the Indonesian government and South Korea.

According to the minister of defense and security, the two ships are more capable as battle unit transport vessels with all the amphibious tank equipment, which, with water and food supplies, are capable of being at sea for quite long periods of time. Five U.S.-made Bell helicopters and 6 BO 105 helicopters can land on each of the ships all at once. The ships also have an organic capacity for air transport mobility with Puma helicopters, which are able to carry 22 paratroops in each helicopter.

The ships can also transport one amphibious unit battalion with other necessary equipment, not only in the interest of military tasks, but also for civic missions.

In response to a question on ABRI's [Indonesian Armed Forces] [combat] readiness after UN acceptance of the archipelagic concept, whereby Indonesia obtained 3 million square miles in additional territory, the minister of defense and security said that Hankam [Defense and Security] has been thinking about this for a long time and has included it in its Strategic Plan (Renstra Hankam). To that end, Hankam has increased the means of transport in order to strengthen the three Indonesian fleets, consisting of

the East, West and Central Groups. All of these fleets have already been reinforced. And, besides increasing the capacity for mobility at sea, air mobility has also been expanded.

Asked if there have also been armed forces personnel increases, the minister of defense and security answered that this has been included in Renstra Hankam and that in last March's ABRI leadership meeting in Bandung a number of the armed forces' annual requirements were determined.

"We have considered all of this, but we cannot disclose it to the press," he said.

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CSO: 4213/62

INDONESIA

INDONESIA SEEKS U.S. JETFOILS FOR EXOCETS

BK110347 Hong Kong AFP in English 0238 GMT 11 Jul 82

[Text] Jakarta, 11 Jul (AFP)--The Indonesian Army will shortly acquire four jetfoil craft which will be armed with French Exocet missiles, informed sources said here today.

Indonesian Technology and Research Minister Habibie who is to arrive in Washington today on a 48-hour visit will have talks with top American officials on the purchase from Boeing of four military jetfoils worth a total 70 million dollars.

The craft will very probably be assembled at the Surabaya Military Base in East Java and then equipped with Exocet missiles--the Indonesian Army currently owns 25 Exocets, the sources said.

During his brief stay in the United States, Mr Habibie could also bring up the topic of building a factory to build U.S. M-16 rifles in Indonesia.

In addition the Indonesian Air Force is also keen to upgrade the missiles used to equip its 32 Skyhawks.

Indonesia's military budget for fiscal March 82-April 83, officially set at 1,000 million dollars, contains no provisions for the purchase of sophisticated combat aircraft.

Some observers here believe that the United States, which is Jakarta's main arms supplier, could be conciliatory both on prices and on the type of military equipment sold to Indonesia in a bid to warm up bilateral relations which have soured over the last year.

The United States could, for example, extend the list of arms that can be sold to Indonesia, the sources said.

But a foreign analyst said that technically such a move would change nothing, as the Indonesians were "very limited financially" in what they could buy.

CSO: 4220/229

REPORT ON TRADITIONAL EXPORT ITEMS

BK091249 Jakarta ANTARA in English 1002 GMT 9 Jul 82

[Text] Jakarta, 8 Jul (ANTARA)--Most of Indonesia's traditional export commodities, except pepper, have dwindled both in volume and value during 1981, allegedly due to the current world economic recession. On the other hand, there was an increasing tendency in volume and value of exported industrial products, compared with 1980.

The nine traditional export commodities are fresh and frozen shrimps, tea, pepper, palm oil, copra cake, tobacco leaves, rubber and timber.

Trade and Cooperatives Ministry sources told ANTARA that the export value of traditional and other products during 1980 stood at \$5,647 million and \$3,928 million during 1981.

The export volume for such commodities for 1980 was 22,718 tons. During 1981 it went down to 17,489 tons [figures as received].

The drop in export volumes of fish, palm oil and timber was attributable, among others, to the ban on trawlers and the curb on the export of palm oil and timber for the sake of domestic industrial requirements.

The drop in coffee export was due to the reduced quota by the International Coffee Organization from 192,000 tons during the coffee year (October-September) in 1980/1981 to 138,000 tons for the 1981/1982 coffee year.

Indonesia's export of industrial goods during 1981 saw a reduced volume compared with the 1980 figures.

However, several products experienced a drop, like urea fertilizer, cement, leather and synthetic fabrics.

The drop was due to the fact that these products were considerably needed for domestic industrial development.

Export value for Indonesian industrial products in 1980 stood at \$520 million. This went up to \$672.4 million in 1981. The volume for 1980 was 1,298 tons, and it went up to 1,385 tons in 1981. [figures as received]

Export industrial goods included essential oils, urea fertilizers, leather, leather goods, plywood, synthetic fabrics, cement, garments and electronics articles.

Prominent export products, both in volume and value, included leather goods, plywood, construction materials and air transport devices.

Other export goods worthy of mention were steel billets, construction machines, music instruments and films. Their value for 1981 amounted to \$27.3 million.

Imported agricultural commodities and raw materials for 1981 stood at \$2,038 million. The figure for 1981 was \$2,590 million.

Imported agricultural commodities included powdered milk, wheat, rice, sugar, cattle feed, spices, raw cotton, pulp and artificial fiber.

Imported industrial machines and generators, and motor vehicles. [sentence as received]

Their import value for 1980 was \$7,048 million. For 1981 the value was \$8,960 million.

CSO: 4220/229

INDONESIA

BRIEFS

THAILAND RICE PURCHASE--The Indonesian Government has purchased another 100,000 tons of rice from Thailand, particularly to help this fellow ASEAN country to cope with the drop in paddy prices in the country. This was stated by junior minister for cooperatives Bustanil Arifin after he reported to President Suharto at Bina Graha on the signing of the rice purchase from Thailand. The rice will be for the national food reserve of more than 1 million tons. The rice was purchased at \$100 per ton. [BK110951 Jakarta Domestic Service in Indonesian 1500 GMT 8 Jul 82 BK]

INDONESIAN-CANADIAN ENERGY AGREEMENT--Jakarta, 5 Jul (ANTARA)--Indonesia and Canada are soon to sign an agreement on cooperation in the development of nuclear energy for peaceful purposes, mines and energy minister Subroto disclosed here Monday. The agreement will be signed in Ottawa and for this purpose Subroto is to visit Canada after attending OPEC (Organization of Petroleum Exporting Countries) meetings in Vienna which are scheduled to open July 7. The agreement with Canada was reached following a Canadian offer to cooperate in the field of nuclear energy development some time ago. Subroto Monday morning met President Suharto at the latter's Jalan Cendana residence to report on his meeting of the OPEC price-monitoring committee consisting of the oil ministers of four OPEC member countries (Indonesia, Algeria, Venezuela and the United Arab Emirates). The committee meeting will be followed by an extraordinary ministerial meeting which is to discuss the question of whether or not OPEC should raise its production ceiling of 17.5 million barrels a day. Asked whether Indonesia would increase its oil exports Subroto said this would depend on what the OPEC meetings in Vienna would decide and on conditions on the world market. [Text] [BK051126 Jakarta ANTARA in English 0803 GMT 5 Jul 82]

ISRAEL CRITICIZED--Jakarta, 11 Jul (AFP)--President Suharto has unleashed a strong attack on Israel and pledged Indonesia's full support to the struggle of the Palestinian people. "The world must not tolerate one country acting arbitrarily against another in the midst of the present civilised life of the world," the Indonesian leader said in a message to mark the descent of the Holy Koran read out by Vice President Adam Malik yesterday. All Muslims in the world should be united to face Israel, the president said. "The sufferings of the Palestinians and Lebanese peoples remind us of our struggle against the colonialists and imperialists in 1945," he said. The time has come for all Muslims to foster unity among themselves and to abandon differences to help the Palestinian and the Lebanese peoples, he added. [Text] [BK111309 Hong Kong AFP in English 0411 GMT 11 Jul 82]

FOREIGN LEADERS' VISITS--Several foreign chiefs of state and heads of government will visit Indonesia this year in connection with the increasing role of these countries in international events. At least three presidents, a prime minister and a former queen have expressed their wishes to make official visits to Jakarta at the end of this year or early next year. President Nicolae Ceausescu from Romania, President Francois Mitterrand from France, President Husni Mubarak from Egypt and Prime Minister Pierre Trudeau from Canada will hold discussions with President Soeharto on bilateral and international issues. It is planned that former Dutch Queen Juliana will come at the end of this month for a visit of several days. According to AFP, French minister of external relations, Claude Cheysson, will arrive in Jakarta toward the end of this year before Mitterrand's visit, possibly next year. His will be the first visit of a French president since Indonesia obtained its independence 37 years ago. The planned visits of various leaders of foreign countries are viewed as a sign of Indonesia's increasingly important position in international forums, especially in regard to several regional problems, like Kampuchea, Afghanistan and efforts in the direction of creating stability in Southeast Asia. [Excerpt] [Jakarta MERDEKA in Indonesian 19 May 82 pp 1, 2] 9792

CSO: 4213/62

GDR'S HONECKER GREETS HENG SAMRIN ON KPRP ANNIVERSARY

BK040754 Phnom Penh SPK in French 1441 GMT 3 Jul 82

[Text] Phnom Penh, 3 Jul (SPK)--On the occasion of the 31st founding anniversary of the KPRP (28 June), Erich Honecker, general secretary of the Socialist Unity Party of Germany (SED) Central Committee, sent his cordial greetings and fraternal salutations to Heng Samrin, general secretary of the KPRP Central Committee and chairman of the Council of State.

The message of Erich Honecker said, among other things: Since its founding, your party, born out of the Indochinese Communist Party, has passed through a difficult and heroic road full of sacrifices. Under the leadership of the communists and closely linked with the Vietnamese and Lao peoples, the Kampuchean people valiantly struggled against the French colonialists and U.S. imperialists for national liberation. Following the historic victory over the genocidal Pol Pot-Ieng Sary-Khieu Samphan clique, the communists of Kampuchea have restored their Marxist-Leninist party.

The KPRP is leading the struggle of the reborn Kampuchean people and has led them to achieve victories in all fields.

The Fourth KPRP Congress formulated a Marxist-Leninist program of action to consolidate its organization and ideology and develop the socialist society. Through these measures, the KPRP and Kampuchean people have achieved important successes at which we express heartfelt satisfaction.

The SED and the KPRP and the peoples of the GDR and PRK maintain close fraternal relations with each other. It is with joy that we note that the fruitful cooperation between our parties and our peoples is developing in the interests of socialism and peace.

Rest assured that the SED and the GDR people will continue to strengthen solidarity with the KPRP and the fraternal people of Kampuchea, that hereafter they will accord their support for the national construction and the defense of sovereignty of the PRK, and that they will work to win recognition for the PRK.

CSO: 4200/50

CPI-M CONGRATULATES KPRP ON ANNIVERSARY

BK120643 Phnom Penh SPK in French 1434 GMT 10 Jul 82

[Text] Phnom Penh, 10 Jul (SPK)--On the occasion of the 31st anniversary of the KPRP, the Communist Party of India (Marxist) [CPI-M] Central Committee sent its revolutionary congratulations to the KPRP Central Committee.

The CPI-M message reads: Bringing into full play the glorious traditions of the Indochinese Communist Party which, as of 1930, led the Kampuchean, Vietnamese and Lao peoples in their heroic struggle against French colonialism, the People's Revolutionary Party formed in the bases of the revolutionary Khmers on 28 June 1951 has led the Kampuchean people in a protracted struggle against aggression by the French colonialists and U.S. imperialists in Southeast Asian countries.

The reactionary coalition of Sihanouk, Son Sann and the Pol Pot remnants, like the Kampuchean problem at the United Nations and elsewhere, has once again been stage-managed. At present, they launch armed attacks against Kampuchea from Thai territory in an effort to reimpose their rule in Kampuchea from which they were chased after their pitiable defeat. We think it is wrong that the PRC continues to recognize and support the Pol Pot remnants and the reactionary coalition led by Sihanouk. But the U.S. imperialists, the ASEAN ruling circles and the Khmer reactionaries are torn apart by acute differences.

The CPI-M Central Committee is convinced that the KPRP, with the fraternal assistance of Vietnam, Laos and other socialist countries, will triumph over the latter. From the moment Kampuchea was liberated from the Lon Nol puppet regime in April 1975 till 7 January 1979 when it was liberated from the counterrevolutionary regime of Pol Pot-Ieng Sary, the KPRP and the Kampuchean people had to endure hardships. You have achieved final victory by toppling the Pol Pot counterrevolutionaries with the fraternal assistance of the SRV. With the assistance and support of Vietnam and other socialist countries, the PRK has achieved numerous successes in restoring the economy devastated under Pol Pot and in the improving the living standards of the people of whom half were massacred under the genocidal regime and the rest deported to the countryside.

We wish you great successes in the struggle against the imperialists and reactionaries and in the building of socialism in Kampuchea.

CHEA SIM ATTENDS KOMPONG CHAM REVIEW MEETING

BK120830 Phnom Penh SPK in French 0400 GMT 11 Jul 82

[Text] Phnom Penh 11 Jul (SPK)--The People's Revolutionary Committee of Kompong Cham Province, northeast of Phnom Penh, recently held its third meeting to review past performance, consolidation of national and international solidarity and measures to be taken to carry out the year's agricultural production plan.

Cheia Sim, member of the Political Bureau and chairman of the National Assembly and of the front; Sim Ka, member of KPRP Central Committee and chairman of the State Affairs Control Committee, attended the meeting.

The meeting expressed high appreciation for the results in 1981: the people take active part in production as masters of the country and their own destiny. More than 1,000 misled persons have rallied to the revolutionary power.

Despite natural disasters, the people, with the assistance of the revolutionary power, increased the cultivated area to 134,800 hectares--14 percent more than in 1981--and in particular achieved an increase of 8 percent for subsidiary crops, 50 percent for potatoes and 25 percent for industrial crops. Fish production reached 460 tons.

The province produced 576,800 metres of cloth and enough agricultural tools for the population.

Transportation, trade...achieved encouraging successes.

In the 1980-1981 school year, in the primary education sector, there were 1,120 schools with 21,680 pupils; in 1981-1982, 218,230 [figure as received] pupils have enrolled in primary and 3,930 in secondary education. About 25 percent of adults registered for literacy classes.

In the first half of 1982, the people planted 14,220 hectares of dry-season rice--an increase of 30 percent more than last year--and 9,950 hectares of subsidiary crops.

During the current rainy season, 5,730 hectares of rice have been planted, 3,760 hectares transplanted, and 20,950 hectares of subsidiary crops grown. The province expects to grow 175,000 hectares of rice, 50,720 hectares of corn and 33,400 hectares of potatoes.

Che Sim congratulated the cadres and people of Kompong Cham Province for their efforts.

Citation certificates were awarded to districts of the province for their success.

CSO: 4200/50

MEETINGS MARK KPRP ANNIVERSARY

BK020911 Phnom Penh SPK in French 0418 GMT 2 Jul 82

[Excerpts] Phnom Penh, 2 Jul (SPK)--During a meeting held recently in Kompong Cham in honor of the 31st founding anniversary of the KPRP, Khim Sophal representative of the provincial party committee, called on cadres and party members to heighten their patriotism and their spirit of proletarian internationalism.

He spoke of the successes scored by the Kampuchean people, and particularly the population of the province, during the past more than 3 years under the leadership of the KPRP and thanks to the assistance of Vietnam, the USSR and other fraternal socialist countries.

Khim Sophal stressed: This year Kompong Cham Province expects to grow 150,000 hectares of rainy-season rice and 20,000 hectares of dry-season rice. In 1980 the province grew 130,000 hectares of rice against 90,000 hectares in 1979. In 1981, despite drought, the area under cultivation was 135,000 hectares.

A meeting under the sponsorship of the Ministry of Education was held in Phnom Penh in the presence of Mat Ly, member of the KPRP Central Committee and vice chairman of the National Assembly; Men Saman, member of the Central Committee and vice chairman of the Central Propaganda and Education Commission; Chan Ven, secretary general of the Council of State and vice chairman of the KUFNCD National Council; Pen Navouth, minister of education; and Chheng Phon, minister of information and culture.

Meetings marking the 31st founding anniversary of the KPRP were also held at the Ministry of Transportation and Communications and at Phnom Penh Thmei Ward, in the western suburbs of the capital.

CSO: 4200/50

THAI BLACK MARKETEER DESCRIBES BATTAMBANG CONDITIONS, JAIL

Bangkok THE NATION REVIEW in English 28 Jun 82 p 6

[Article by Prasit Saengrungruang]

[Text]

TEH Ka Muay is a two-storey shop-house in the Kampuchean city of Battambang. It is widely known as one of the country's most notorious detention centres, first used by former Khmer Rouge leader Pol Pot during his 'reign of terror.'

Today it is used by the Vietnamese-backed Heng Samrin forces to detain not only Kampucheans but also Vietnamese and Thais.

Wanchai Wongsilp is a 20-year-old student at one of a local schools in his home district of Aranyaprathet who has gone through a one-year ordeal at Teh Ka Muay.

Here is his first-hand account on his one full year of experience in that apparently ordinary looking two-storey shophouse.

During my school holiday last year, trading along the Thai-Kampuchean border was reasonably

flourishing. My friends persuaded me to join them in selling some merchandises in the black market there. People were going there in hundreds each time so I didn't see any danger in going there at all. Naturally, I joined them.

That night we gathered at my house in Baan Koke in Aranyaprathet at around 8 pm. About an hour later, we started to move out. There were nearly 300 people altogether, including myself. We headed for the same lucrative black market. I had with me 30 sheets of 10-square-metre cloth for sales.

We went eastward from the village and later turned to the North trekking along the border towards the market.

Suddenly there was a shout ordering everyone not to run away followed by a rattle of gunfire. I couldn't make out what sort of gun it

was nor where the firing came from. For sure, everyone was running away for safety.

If you have this sort of experience before, you are an expert in all the possible escape routes. If you are new to the whole thing, you are either get shot at or suffered a salvo of bullet wounds.

I ran like mad as fast as I could to be as far away from that spot as possible. It was the only course of action I can think of. I remember I kept on sprinting, not knowing which direction I was heading to.

There was a shout ahead of me. It was in Vietnamese language which I have no idea what it meant. It certainly scared the hell out of me! So, I stopped and held up my hands and walked towards the place where the shout came from.

I saw about four or five Vietnamese

soldiers coming towards me. They asked me some questions. Obviously, we didn't understand each other. It was several minutes past midnight, about a little over an hour after the shooting. I was absolutely exhausted. After a meal they had given me, I fell asleep.

Next morning, another group of Vietnamese soldiers came and took me away along the Poipet-Si Sophon highway. We stopped at Nimit for two nights, then boarded a GMC vehicle for Si Sophon. There I was interrogated in Thai language by a Vietnamese refugee from Aranyaprathet. I recognized him well but I just can't think of his name.

The next day they took me to Teh Ka Muay in Battambang where they kept me under a Kampuchean guard who was in turn being watched by a Vietnamese soldier.

Teh Ka Muay is a two-storeyed shop-house-style building with the Vietnamese troops live on the top floor. There were about 40 detainees. I was the only Thai inside there along with others who were

Kampucheans and Vietnamese. They were all in a very pitiful state.

Every morning at 5 am, all of us had to get up. At 6 am we had to stand in line waiting to be assigned to a job in the town. We were led by overseers to do the work like sweeping the streets, clearing the rubbish, digging the roads and many others hard labour.

At 11 am, we came back and had our very first meal of the day after which we took a break until 1 pm in the afternoon.

At precisely 1 pm, we were all led once more back to town for another round of grueling hard work. Then, we came back again to Teh Ka Muay four hours later. It went on like this every day.

Suicide by hanging among the detainees there was a weekly event. The guard knew about it so the detainees turned to poison drinking instead. I did take some once but I was saved in the nick of time against my will by the doctor. The guard alerted by the clamour of others

detrainees, saw me and whisked me to the doctor. I thought at that time that I may stuck there for life.

Most of the Kampucheans there were mostly sent by the Heng Samrin government either because they were thought to be untrustworthy, or had committed some crimes.

Most Vietnamese detainees were of Chinese origin, who had escaped from Saigon (present-day Ho Chi Minh City) and were trying to enter Thailand for resettlement in the third countries. They were, however, nabbed by the Vietnamese troops.

The city of Battambang itself was in a state of decaying and dilapidating. No new buildings and no maintenance of the existing buildings.

The majority of the Kampucheans feel that the owner of their country is the Vietnamese. Their attitude towards Pol Pot now is that of brotherly who shares the same Khmer blood, even though execution is the only punishment for all types of crime during his horror reign.

For sure the Khmer people are frustrated. They don't want Pol Pot back, but then they don't want the Vietnamese in their country either.

On the morning of May 25, this year (about a year later since the capture) the guard approached me and gave me a document in Khmer language. He told me that I can go home now.

Without a moment for second thought I grabbed the document and left the place as quickly as possible. The guard told me that I should show this piece of document if the guards at the check-points along my route ask for it. I adhered to his advice until I got to Nong Samet.

When I reached the black market place, I asked the driver of a truck if he could take me to Aranyaprathet. I told him all my story at Teh Ka Muay. He agreed to take me.

After all this, I think I deserve a well-earned quiet rest for quite a while. Before I go back to school and experience something completely different.

BRIEFS

PZPR GREETINGS--Phnom Penh, 4 Jul (SPK)--The Central Committee of the Polish United Workers Party [PZPR] recently sent fraternal congratulations to the KPRP Central Committee on the occasion of the latter's 31st founding anniversary (28 June). On behalf of all Polish communists, the PZPR Central Committee wished all Kampuchean communists and workers success in socialist construction, internal stabilization, the establishment of socialist Kampuchea's international position and the realization of the tasks defined by the Fourth KPRP Congress. [Text] [BK040912 Phnom Penh SPK in French 0359 GMT 4 Jul 82]

CUBAN GREETINGS--Phnom Penh, 4 Jul (SPK)--On the occasion of the 31st founding anniversary of the KPRP--28 June--the Central Committee of the Cuban Communist Party recently sent "fraternal and warm" greetings to the KPRP Central Committee. The message said: Always loyal to the revolutionary legacy of the Indochinese Communist Party, the KPRP knew how to react to the treacherous maneuvers of the Maoist agents and knows how to lead the struggle of the Khmer people against all of their enemies toward victory. Today, the KPRP reaffirms its historic and militant unity and, closely linked with the parties of Vietnam and Laos, stands as a firm bastion in the struggle for peace, social progress and socialism. We wish you new successes in the construction and defense of the Kampuchean fatherland and in the implementation of the resolutions of your fourth congress. We hope that our friendship and solidarity will continue to grow with every passing day. [Text] [BK040946 Phnom Penh SPK in French 0401 GMT 4 Jul 82]

HUNGARIAN CC GREETINGS--Phnom Penh, 4 Jul (SPK)--On the occasion of the 31st founding anniversary of the KPRP, 28 June, the Central Committee of the Hungarian Socialist Workers Party sent its "warm felicitations" to the KPRP Central Committee. The message of Hungarian Party Central Committee reads: The Kampuchean communists, successors of the Indochinese Communist Party, together with the communists of other Indochinese countries, waged a victorious struggle against French colonialism and U.S. imperialism and toppled the regime of the genocidal Pol Pot-Ieng Sary-Khieu Samphan clique. We wish you success in accomplishing the tasks defined by the Fourth KPRP Congress for the consolidation of peace and security in Indochina. The Hungarian communists express their internationalist solidarity with your just struggle. We are convinced that your national construction effort, your struggle as well as the common cause of reinforcing friendship between the Hungarian and Kampuchean peoples and cooperation between our two countries and our two parties will be victorious. [Text] [BK050710 Phnom Penh SPK in French 0407 GMT 5 Jul 82]

BULGARIAN CONGRATULATIONS--Phnom Penh, 7 Jul (SPK)--On the occasion of the 31st anniversary of the founding of the KPRP (28 June), the Bulgarian Communist Party Central Committee sent its "most cordial congratulations" [passage indistinct] U.S. imperialists, local reaction and the Pol Pot regime, have opened to the Kampuchean people the glorious path of rebirth, independence and socialism. We wish you great success in the implementation of the Fourth KPRP Congress resolutions. We express high appreciation for the policy of the PRK to promote and deepen friendship with the Soviet Union and other countries of the socialist community, to firmly oppose the aggressive activities of imperialism and hegemonism; and to transform Southeast Asia into a zone of peace, stability and prosperity. We are convinced that the fraternal relations between the two parties, based on the principles of Marxism-Leninism and proletarian internationalism, will further consolidate and deepen in the future. [Text] [BK081210 Phnom Penh SPK in French 0413 GMT 7 Jul 82]

KPRP OFFICIAL TOURS--Phnom Penh, 8 Jul (SPK)--Accompanied by Sim Ka, member of the Central Committee and chairman of the Committee for the Control of State Affairs, Chea Sim, member of the KPRP Central Committee Political Bureau and chairman of the National Assembly and of the KUFNCD National Council, recently made a working tour of Kompong Cham Province, 100 kilometers northeast of the capital. He visited workers at a textile factory, at a manufacturer of traditional medicine in the provincial city and the peasants of Srei Santhor District. The chairman of the National Assembly attended a review meeting of the provincial people's revolutionary committee. At the meeting Chea Sim said: Under the clear-sighted leadership of the KPRP, due to the efforts and patriotism of cadres, combatants and the people and with the assistance of fraternal socialist countries--first of all Vietnam, Laos and the USSR--and the peace and justice-loving countries the world over, the Kampuchean revolution, which at present is facing temporary difficulties, is progressing irresistibly. He condemned the Chinese expansionists, U.S. imperialists and reactionaries in the ASEAN countries who joined in forming the phantom and illegitimate tripartite government, which has neither people nor territory, and declared that it was a gross interference in the internal affairs of the PRK. [Text] [BK091021 Phnom Penh SPK in French 1430 GMT 8 Jul 82]

INTERIOR MINISTRY CADRES ADDRESSED--Phnom Penh, 9 Jul (SPK)--Chea Sim, member of the KPRP Central Committee Political Bureau and chairman of the National Assembly and of the KUFNCD National Council, recently visited cadres of the Interior Ministry. Chairman Chea Sim expressed high appreciation for the efforts of the police forces who, in cooperation with the armed forces, have succeeded in maintaining political stability and social order. He denounced enemy maneuvers aimed at undermining the Kampuchean revolution. He talked about the successes in all fields achieved by the Kampuchean people over the past 3 years and stressed that they are due to the friendly relations, militant solidarity and cooperation with Vietnam, Laos, the USSR and other fraternal socialist countries. [Text] [BK090935 Phnom Penh SPK in French 0440 GMT 9 Jul 82]

CAPE VERDE OFFICIAL GREETED--Phnom Penh, 5 Jul (SPK)--On the occasion of the 7th anniversary of the independence proclamation by the Republic of Cape Verde, Council of State chairman Heng Samrin recently sent his warm felicitations to Aristides Pereira, president of the Republic of Cape Verde. In his message, chairman Heng Samrin said: The Kampuchean Government and people wish that the heroic people of Cape Verde under your enlightened leadership will score greater successes and that they will overcome all difficulties in national reconstruction. We are convinced that the relations of friendship between our two countries based on proletarian internationalism will further develop in the interests of our two peoples in the common struggle against imperialism and international reaction for the safeguarding of national independence and world peace. On the same occasion, Foreign Minister Hun Sen sent congratulations to his Cape Verde counterpart, Silvino Manuel da Luz. [Text] [BK050658 Phnom Penh SPK in French 0429 GMT 5 Jul 82]

KAMPUCHEAN-CSSR CULTURAL COOPERATION--Phnom Penh, 10 Jul (SPK)--Chey Sophea, deputy minister of information and culture, expressed satisfaction with the Kampuchea-CSSR cultural cooperation in the fields of cadre training, distribution of films and restoring the motion picture sector in Kampuchea. Chey Sophea, at the head of a Kampuchean cultural delegation to the 23d International Film Festival, recently granted an interview to Czechoslovak newspaper RUDE PRAVO in which he said that Czechoslovakia sent films to Kampuchea which were distributed throughout the country. This supply of films, Chey Sophea said, has contributed to enriching the programs of Kampuchean movie halls and to furthering the changes which take place there. At present, the radio broadcasting network has been expanded and we are making preparations to transmit television programs. He added that an agreement will be signed between the two countries to intensify cooperation in the cultural field. [Text] [BK101057 Phnom Penh SPK in French 0406 GMT 10 Jul 82]

CSO: 4200/50

SECURITY TO BE MAINTAINED ON PARTY LEADERSHIP BIOGRAPHIES

Vientiane VIENTIANE MAI in Lao 25 May 82 p 2

[Column: "Conversations with the Editor"]

[Text] [Statement] To the Editor: I have already followed your column, and I sincerely admire you. There is something on my mind I would like you to help me with. I would like to know the biographies of each individual member of the new Central Committee of the LPDR, especially those who are newly selected. As for those leaders who are members of the former Central Committee, I am already familiar with their reputation. Among the newly selected people are some Vientiane people whom I know well. These are the only ones I know, and I must admit my weak point that I know nothing about the rest at all! I think the events in their struggle might motivate youth to train and mold themselves by using them as good examples. With this, permit me to heartily congratulate the new Central Committee, and wish them good health and leadership of our country forever. [Comrade Vovoli of Ban Wat Sopsouanmon].

[Answer] To Comrade Bovoli: We found your letter very interesting because it involves an issue that we ourselves would like [to know] not less than you. However, we regret that we cannot answer your question because some members of the [new] Central Committee do not want to disclose their biographies; they want the masses to know and understand them, but not by means of newspaper coverage.

This is part of the reason we cannot fulfill your request. In addition, it might not be a good time to reveal themselves for we all know that if it was not handled well and not done at the right time, it could become self-propaganda and self-praise for no reason. Finally, people might misunderstand that they are showing off. This is just what we think among ourselves. As for our leaders, they are even more prudent than we. It is most certain that this problem will be solved in time and it is not time yet. We hope you can understand and forgive us for not being able to answer you this time. When the appropriate time comes we will be able to fulfill your request. Thank you.

9884  
CSO: 4206/58

#### ELECTRIFICATION WORK, SALES TO THAILAND NOTED

Vientiane KHAOSAN PATHET LAO in Lao 25 May 82 pp A2, 3

[News Column: "Report of the Lao State Electrification Enterprise for 1981 and the First Half of 1982"]

[Text] From May 1981 to May 1982, cadres and workers of various services in the Engineering and Electric Power Department and the Lao State Electrification Enterprise have patiently and successfully put all their strength, ability, and creativity into competing with each other in doing their specialized task. They were able to ensure the expected electricity production and distribution figures and also to manage technical and enterprise planning and to expand the electrification network to serve society very well in industrial, agricultural, and light production.

According to Mr Khammouan Phonkeo, chief of the Lao State Electrification Enterprise, in his annual report ceremony which was held last 22 May, all cadres and workers in the department as well as the Lao State Electrification Enterprise have strong convictions and unshakeable confidence. This indicates and confirms the actual results of last year's work. The base [village] planning and construction service surveyed and cleared the land, installed electric lines and did soil testing in order to construct transmission lines in Tha Lat, Vangvieng. It was 100 percent completed. They also surveyed and collected data and constructed hydroelectric dams all over the country in the area of Nam Sim, Houei Talat, and Houei Kasao, Houa Phan Province; Nam The, Kham District, Xieng Khouang Province; Tat E-Tou, Champassak Province; and Nam Pa, Attopeu Province, and successfully collected data to start a rural electric construction project in Attopeu Province. The first group for the first six months of 1982 in particular surveyed and collected detailed data for the hydroelectric dam at Se Sat, Saravane Province. The first and second groups surveyed and collected basic economic and industrial data. Also, 29 small-size hydroelectric dams in Champassak and Savannakhet were 100 percent completed. As for electricity production and distribution, the Nam Ngeum electric dam produced 842,972,500 kWh, which exceeded by 10 percent the year's project. Of this, in only the first 4 months of 1982 they were able to produce 276,127,900 kWh, which exceeded the plan by 20 percent. They distributed 107,170,032 kWh of electricity within the country, and sold 702,028,600 kWh to Thailand. In the enterprise and technical control plan, inspection of generators 1-4 was completed 100 percent. The 110 kW

transmission line repair and maintenance was completed 100 percent, based on the year's plan. The 220 kW transmission line repair and maintenance was completed 100 percent based on the year's plan. Repairs to the [underground station], telephone, and That Louang distribution station were 100 percent completed.

The base and rural electrification construction project in the Vientiane Plain was completed, a cement pole construction factory was built, and repairs to generators 1 and 2 were completed 100 percent. Data was prepared, the plan was carried out, and the electric generators in Se Labam, Champassak Province, and Nam Dong, Luang Prabang Province were repaired. Moreover, they collaborated with many different divisions around the center and provinces. For example, they successfully installed electricity in 534 houses, set up 853 electric meters, installed 7 electric water pumps, installed electricity in 11 factories, and expanded the medium-voltage electrification network by 22 km and the low-voltage electrification network by 28 km.

9884

CSO: 4206/58

PRICE INCREASES, FLOW OF STATE STORE GOODS TO MERCHANTS CONTINUES

Vientiane VIENTIANE MAI in Lao 24 May 82 p 2

[Column: "Conversations with the Editor"]

[Text] [Statement] To the Editor: I have a question concerning the principles of trade and ways to raise the living standard of the people.

1. Is there any difference between state trade and private sector trade? Before opening and closing or changing prices in state stores, must there be any orders from the higher echelons of the party first?
2. Retail stores in the Evening Market, Chanthabouri District, took advantage by raising prices by themselves. For example, Adeng brand cigarettes are advertised for sale at 280-290 kip per pack. The state shop's price is not that high. Is it right to do this? Is it right when a retail store orders cigarettes to sell in stores and then do not sell them but instead hoard them in their houses to sell to merchants? This involves not only cigarettes but also [cooking] oil, sugar, soap, and other items that have good values and that are wanted by private merchants. I can never buy them whenever I ask for them. Please clear this up to satisfy the masses. [Young Worker, Evening Market, Nong Douang]

[Answer] Dear Young Worker: We would like to answer your letter as follows.

1. State stores and private stores are completely different. State stores aim to sell in order to serve and raise the living standard of people of all races. Private stores, however, aim to sell for personal profit and only for their own personal gain. This is a very brief explanation, and we hope you understand. As for changing prices or whatever, it can be done only when there is an order in advance. The stores cannot raise prices as they please.
2. You did not state whether the store you mentioned in your first question was a state store or a private store, but we understand it to be a state store. If it is and it does not sell state goods at the price that was set, it is not right. If this is true, that store must change in order to be consistent with the plenum concerning prices and the order issued by the party and government. As for the problem of hoarding goods, we do not wish to comment, but if it is true you should send us the details along with complete evidence, so that we can pass the matter on to the higher echelons who are involved so they will be able to find ways to improve it.

That's all for now. If there is something more you would like to discuss we can do it next time. Thank you.

## BRIEFS

TEACHERS SEMINAR--Vientiane, 3 Jul (OANA-KPL)--The education service of Vientiane Municipality opened, on July 1, a long school-vacation seminar for teachers. Besides drawing experiences from the 1981-82 educational work, the attendants will also center their attention on the 1982-83 school year program. Resolutions of the Third National Party Congress and other documents on education will also be studied. Eighty one attendants from various schools listened to Vice-Premier and Minister of Education Phoumi Vongvichit who inaugurated the seminar. Phoumi Vongvichit, stressing on the joint contributions of the local education service and the local administrative committee, said that: "during the first stage of the transitional period to socialism, we must unite ourselves around the party to victoriously overcome all obstacles." [Text] [BK031035 Vientiane KPL in English 0901 GMT 3 Jul 82] Vientiane, 14 Jul (OANA/KPL)--A seminar for teachers organized during the long school vacation by the education service of Vientiane Province was closed on July 22 after 12 days of sitting. During the session, the conferees attempted to pinpoint past weak points and laid down the next school-year educational programs. The attendants also studied various resolutions adopted by the Third Party Congress and other documents concerning educational works. Vice-Premier and Minister for Education, Sports and Religious Affairs Phoumi Vongvichit, who attended the closing ceremony, addressed the gathering stressing on the significance of educational works which are needed to permeate in all spheres of life, in the national socialist construction. He further emphasized on the necessity to carry out one step ahead of others, the ideological and cultural revolution and to combine on the spirit of proletarian dictatorship with genuine patriotism. [Text] [BK141255 Vientiane KPL in English 0941 GMT 14 Jul 82]

OUTGOING POLISH AMBASSADOR--On the morning of 14 July, Nouhak Phoumsavan, deputy prime minister and minister of finance, received Marek Czurley, ambassador extraordinary and plenipotentiary of the Polish People's Republic to Laos, who paid a courtesy call on and bade farewell to the deputy prime minister prior to his departure for home after the completion of his term of service as an ambassador in Laos. Earlier, on the afternoon of 13 July, Ambassador Marek Czurley also took leave of Sali Vongkhamsao, deput prime minister and chairman of the State Planning Committee. Deputy Prime Minister Nouhai Phoumsavan and Deputy Prime Minister Sali Vongkhamsao held separate conversations with the Polish ambassador in an atmosphere of cordiality and

close friendship. The two deputy prime ministers wholeheartedly praised and hailed the great success of the Polish people in suppressing the counter-revolutionaries and normalizing the tranquil situation in the country. The two also thanked and commended the ambassador for his endeavors in performing his diplomatic tasks, which have greatly contributed to the daily development and strengthening of the friendly relations between Laos and Poland. Ambassador Marek Czurley also took this occasion to express his thanks to the party, government and people of Laos for the convenience provided him in performing his tasks. [Text] [BK150353 Vientiane Domestic Service in Lao 0000 GMT 15 Jul 82]

KAYSONE REELECTION--Vientiane, 2 Jul (KPL)--The first secretary of the Executive Committee of the Polish United Workers' Party CC, Wojciech Jaruzelski recently sent a telegram to Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party CC, congratulating the latter's being reelected as general secretary of the LPRP. The Polish party's first secretary expressed his conviction that the relations between the two countries, based on international socialism, will be strengthened for the interests of the peoples, peace and socialism. [Text] [BK021340 Vientiane KPL in English 0931 GMT 2 Jul 82]

FRENCH NATIONAL DAY--Vientiane, 14 Jul (OANA/KPL)--President Souphanouvong today sent a message to President Francois Mitterrand of France, greeting the French National Day. The message says: On the occasion of the National Day of France, would like to convey my congratulations, my best wishes of happiness and prosperity to you and, through you, to the French Government and people. Khamphai Boupha, acting minister for foreign affairs, also sent greetings to Claude Cheysson, minister for foreign affairs of France. [Text] [BK141237 Vientiane KPL in English 0944 GMT 14 Jul 82]

PROVINCIAL COURT SEMINAR--Vientiane (KH.P.L.) The court seminar for the 5 southern provinces that lasted for one month until the beginning of May was successfully closed. There were 50 court cadres in all from 5 southern provinces who attended the seminar. Their hard work and their serious study together of many documents concerned with court work made each cadre clearly understand the importance and significance of the work and the content of each document quite well. At this opportunity all expressed their decision to apply their successful seminar results to their work in order to improve each one's provincial court work effectively, and to participate in keeping peace in our country. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 26 May 1982 p A3] 9884

CHAMPASSAK FOREST INDUSTRY WORK--Vientiane (KH.P.L.) From last January to April the Champassak provincial workers of the tree removal and wood preparation company carried out their specialized tasks with high spirits, actively aiming to achieve their first 6-month plan in order to serve the needs of material for construction. Within the past 4 months they cut and collected 45,728 cubic meters of all kinds of wood, transported 14,434 cubic meters of wood for sawmills, sawed 3,776 cubic meters of wood, made 526 tables, chairs, beds, and wardrobes, and a fairly good amount of work in conjunction with others. [Text] [Vientiane KHAOSAN PATHET LAO in Lao 21 May 1982 p A6] 9884

MALAYSIA

BRIEFS

ISRAELI GOODS IMPORT--Stern action will be taken against anyone found importing goods from Israel. The director of the Royal Customs Preventive Division, Raja Omar Raja Abdullah, warned today that while the goods would be seized, those involved would also be prosecuted. He was commenting on reports of the success of the city customs preventive drive in finding out that a firm in Petalingjaya had imported Israeli goods through a third country. The firm tried to import laboratory equipment and chemicals through Britain while making the payment through the United States. Raja Omar said such activities were hard to detect, but those suspected of involvement would be investigated and brought to court. [Text] [BK081247 Kuala Lumpur Domestic Service in English 1130 GMT 8 Jul 82]

RUBBER PRICES--The decision by natural rubber producing countries to deny 350,000 tons of the product to the market is part of a move by producers to improve prices. The action is necessary following the failure of the bufferstock operation to bring up the prices to adequate levels. The denial of rubber will help prevent disruption to the natural rubber industry. It will also prevent an exodus from rubber cultivation to other economic activities. The minister of primary industries, Datuk Paul Leong, told newsmen in Kuala Lumpur that the Association of Natural Rubber Producing Countries is due to meet in Jakarta later this month. It will hold discussions on the withholding of the product. He said that the denial to the market represents the private sector's contribution to help jack up prices. The government on its part has given almost 2 million ringgits to the bufferstock operations of INRA [International Natural Rubber Association]. The bufferstock manager currently holds more than 150,000 tons. Datuk Paul Leong made it clear that the step taken by producers is to create a more equitable balance between the demand and supply situation. The minister says that the forecast by the World Bank for natural rubber is very optimistic. Based on the current trend, the World Bank predicts a price of \$1.68 by 1990. However, Malaysian production has remained stagnant around 9.5 million tons. [Text] [BK090921 Kuala Lumpur International Service in English 0600 GMT 9 Jul 82]

PALESTINIAN SOLIDARITY ASSEMBLY--The Malaysian Youth Islamic Movement has organized a Palestinian solidarity assembly in Kuala Lumpur. The assembly is to protest the Israeli invasion of Lebanon. Among the speakers at the assembly were the PLO special representative to Malaysia, Mr (Abu Riad), and the president of the Malaysian Nationalist Islamic Students Association. The Palestinian Solidarity Fund was also officially launched in conjunction with the assembly. [Text] [BK040751 Kuala Lumpur International Service in English 0600 GMT 4 Jul 82]

ENVOY TO INDONESIA--The government has appointed Datuk Mohamed Rahmat as Malaysia's ambassador to Indonesia. Datuk Mohamed Rahmat, who is a former minister of information, started his career with the government in 1965. He is a graduate from University Indonesia. [BK080405 Kuala Lumpur International Service in English 0600 GMT 6 Jul 82 BK]

1981 REFINED TIN EXPORT--Malaysia exported about 67,000 tons of refined tin last year. This is about 4,000 tons less than the export for the previous year. The figures are given in TIMAH, a magazine published by the Publicity Management Committee of the tin industry in Malaysia. The magazine says there has also been a decline in tin production following the closure of a number of mines. Production for last year was about 60,000 tons, which is approximately 1,000 tons less than in 1980. [Text] [BK080405 Kuala Lumpur International Service in English 0600 GMT 4 Jul 82 BK]

JUNE-MAY INVESTMENT--Investment is still coming to the country despite worldwide recession. The Malaysian Industrial Development Authority had been receiving an average of 40 applications monthly since the beginning of this year, the deputy minister of trade and industry said in Kuala Lumpur. He pointed out that another encouraging sign is an increase in the number of registered companies. This totals 5,800 in the first 5 months of this year. He said the business community and investors should guard against falling into the depression syndrome. They must consolidate themselves where others are holding back. Such a move will help reap a better profit when the situation becomes better. [BK020755 Kuala Lumpur International Service in English 0600 GMT 30 Jun 82 BK]

CSO: 4220/229

GOVERNMENT CLOSING OF PAPERS PROTESTED

Kathmandu THE RISING NEPAL in English 20 Jun 82 p 1

[Text]

Kathmandu, June 19.

The executive committee of the Nepal Journalists Association (NJA) has protested against the action taken by the local administration against the weekly "Samiskhya" published in Kathmandu and the weekly "Yugbodh" published in Dang and demanded immediate lifting of the ban imposed on the publication of the newspapers, reports RSS.

The meeting was presided over by NJA president Manjuratna Sakya.

CSO: 4220/201

BANNING PAPERS INCOMPATIBLE WITH PRESS FREEDOM

Kathmandu THE MOTHERLAND in English 19 Jun 82 p 3

[Editorial]

[Text]

The ban imposed on the vernacular weekly "Sameekshya" has come in sharp contrast to the liberal atmosphere in which the press was allowed to function until recently. The government had been relatively tolerant of criticism from the press and this was a welcome development, considered to be in conformity with the new era ushered in by the national referendum. Sadly, however, the government has chosen to stamp out the meticulously built atmosphere of free press by a single stroke, thus reversing its old policy of intolerance and subsequent suppression of the press. Looks like the government has not learnt and is not willing to learn from its past mistakes.

More serious is the fact that the government resorted to the Press and Publication Act to deal with a heavy hand with the weekly. The Act has been widely acknowledged to be draconian in nature and there has been a widespread demand for its abolition without any further delay. Even the Royal Press Commission, whose recommendations for a better press still lie unattended at the Prime Minister's office, has called for amendment to the Act. Far from doing so, the government is sending feelers that the 'Damocles Sword' is going to be there, over the heads of all newspapers, freedom or no freedom of expression.

CSO: 4220/201

BETTER POLICE IMAGE URGED

Kathmandu THE MOTHERLAND in English 24 Jun 82 p 3

[Editorial]

[Text]

Policemen in general are not trusted by the people and that not without reasons. Even well-meaning people are scared of the police and more often than not it is not the bad characters who are tortured but people who are wronged and innocent. Those who hold position and wield power belong to a different category. They are part of the establishment and can only help make things worse. The irony of the situation is that good men do not feel sure in the presence of police whereas bad characters do. To well-meaning people they are a scheming and plotting lot. Reasons and arguments have nothing to do with them. Such a situation should not have existed.

The action taken by the police headquarters against two assistant police sub-inspectors and six other constables and publicized by the Home Ministry can at best be described as a smokescreen in the prevailing condition. Can such actions make up the moral and social indignity suffered by the mother and son even when they are declared not guilty? Had it happened elsewhere such things would have been ignored. The law and order

situation is deteriorating every day and the establishment should make it a point to punish those who are largely responsible for it.

And against this backdrop a new IGP is appointed. He is known as a man of integrity and has had a distinguished service career. As such he should be different from his predecessor and live up to his name and reputation though he is also very much a part of the establishment. As such one simply wonders whether he can resist all the temptations and benefits and withstand the consequences that follow if he refuses to become obliging. Yet he should agree, first of all, that the police force should be disciplined gradually and steadily by of course providing them better facilities, and they should be stopped from becoming law unto themselves.

CSO: 4220/201

**BENEFITS SEEN FROM IMPLEMENTATION OF PRESS LAW**

Kathmandu THE RISING NEPAL in English 20 Jun 82 p 2

[Editorial]

[Text] His Majesty's Government's decision to implement most of the recommendations of the Royal Press Commission submitted to His Majesty the King in July last year can be said to have paved the way for a more systematic and rapid development of the press in the Kingdom. His Majesty the King had appointed the Royal Press Commission to examine the difficulties being faced by the Nepalese press and journalists and to suggest ways to solve them. His Majesty the King after the Commission had completed its work had handed over the report to His Majesty's Government to implement the suggestions. The report of the Royal Press Commission are far reaching and as such various legal and other aspect had to be studied and solutions found before the recommendations are acted upon. This probably explains the reason for what looked like a delay on the part of HMG to implement the Royal Press Commission suggestions. Now that HMG has taken a final decision to implement the suggestions the door has been opened for the institutional growth of the press in Nepal. Among the more important of the recommendations which the government is to implement concerns the automatic cancellation of a newspaper's or a periodical's registration once a fine is imposed by the administration. With no chance of appealing the government's decision and even when the case is won in court after a writ, the newspaper or a periodical has to cease publication until the final court decision this clause could said to have been an obstacle to the press freedom. This means a loss of readership and indeed, many a time such a closure could prove to be permanent. This provision of the press act is happily now being abolished. Related to this is the clause under which the press in which the new paper in question is printed is also to be prosecuted along with the newspaper. This clause is an impediment to press freedom in as much as the owners of the printing presses will be very reluctant to print newspapers. In this case also His Majesty's Government is to implement the Royal Press Commission recommendations which will dissociate the printing press in any action against a newspaper. The right to move courts to challenge any action that the government might take against newspapers and periodicals is the sort of innovation that will result in further guaranteeing the freedom of the press.

Side by side with the press freedom, the implementation of the suggestions will also result in the institutional development of the press in the Kingdom. This flows from the government decision to treat the newspaper and journals as service oriented industries with all the benefits that arises from it. Once this is done, the newspaper publishing will come under the purview of the industrial act that guarantees minimum salaries to the workers. Also stemming from this will be the availability of loans and credits on softer term to the newspaper publishers. This should activise the Nepalese press to serve the country better by taking the news and information to different parts of the country. The new decision of HMG will also enable the publication of new newspapers and periodicals once the legal requirements are met, and in this respect, HMG is to ensure that such requirements are within the reach of all Nepalese, they are to be made practical and realistic. The government has also assured that the necessary inputs for the newspaper publication such as newsprint and others will be made available on reasonable terms and rates. All these bode well for the Nepalese press and HMG's decision to implement the Royal Press Commission recommendation scan be said to have been a step of far reaching consequences to the Nepalese press.

CSO: 4220/201

INFLATION RATE UP TO 17 PERCENT

BK090930 Hong Kong AFP in English 0700 GMT 9 Jul 82

[Text] Wellington, 9 Jul (AFP)--New Zealand's annual inflation rate jumped back to 17 percent today, after a 5-percent rise in the country's consumer price index in the second quarter, according to official statistics released today.

It was the highest quarterly figure for 3 years, pushing the nation's inflation level up from 15.8 percent.

The massive boost to consumer prices came in the wake of a housing price boom, high fuel and transport cost increases, and a government spending spree before last November's election.

Government charges for electric power, rail transport and many other services have risen rapidly in recent months. Milk prices, bread and even beer prices have also lifted sharply in the past 6 months.

Indications to the government that inflation was again spiralling prompted it to impose a tough wages, prices, rents (?and) dividends freeze on the economy 2 weeks ago.

Today the labour opposition accused Prime Minister Robert Muldoon's government of "pushing the panic button."

Labelling the inflation rise "disastrous," labour leader Bill Rowling warned that working people would not tolerate the wage freeze if the cost of living continued to soar.

"The New Zealand economy is now pitched into a desperate situation," Mr Rowling said.

But Trade and Industry Minister Hugh Templeton said the high inflation level reinforced the need for cooperation to ensure the wage-price freeze works.

"The present slowdown in world inflation must be used to get positive results from the freeze. We have to move now to get inflation down," he said.

Observers speculated that one element of the government strategy could be the tax reduction planned for the annual budget in 3 weeks, as a trade-off for lower wage demands by the country's unions.

ISRAEL'S POLICIES TERMED 'BRUTAL AND BARBARIC'

Karachi DAWN in English 2 Jul 82 p 9

[Editorial]

[Text]

AMIDST the carnage in Lebanon, and the suffering of the injured and homeless, the plight of those unfortunate Palestinians who have fallen into the hands of the Israelis has not received the attention which it deserves. In the first place, Israel has refused to recognise captured Palestinian soldiers as prisoners of war, and is, instead, insisting that they are 'terrorists'. This means that these soldiers, who have fought so bravely, will be refused the facilities to which they are entitled under the Geneva Conventions, to which Israel is a signatory. It takes a very vicious kind of approach to behave in the manner in which Israel has been behaving in Lebanon. While there had not been any doubts about the viciousness of the Israeli mind, it had been hoped that it would at least treat its adversaries in the field of battle, with the honour which all armies have come to accept traditionally. That it is not doing so is plain by now. If Israel does not recognise the Palestine Liberation Or-

ganisation diplomatically, that does not rob the Palestinians of their internationally accepted identity. A large number of the world's nations and even the United Nations recognise PLO as the sole representative of a people fighting for their national rights. But the more significant fact is that the Palestinian prisoners have fallen in Israel's hands in the course of a war of aggression waged by the Zionist forces. They were not captured in Israel's own territory. In this savage, all-out war, Israel has openly accepted the Palestinians as its enemy. It is worse than perverse logic to deny the captured PLO fighters the status of prisoners of war.

Not only is Israel not according the facilities to Palestinians which it is required to under international law and conventions, but its behaviour towards them has been unspeakably cruel. According to reports, most captured Palestinians are kept bound hand and foot, and most are blindfolded also. There can be no

conceivable reason for the Israelis to go to such barbaric extremes, the only interpretation being that the Israelis are bent on torturing Palestinian prisoners to break their spirit and to get some perverse pleasure out of it. Two Norwegian doctors have also given eyewitness accounts of the brutal treatment meted out to prisoners — these included merciless beatings of helpless men for no apparent reason other than that they were Palestinian. These are facts which have been observed and reported by neutral men. There is no knowing what else the Israelis are up to in their modern-day equivalent of dungeons. What brings on even more horror is the thought that the incidents and practices reported may only be the tip of the iceberg, so to say, and that far worse tortures are being inflicted on the Palestinians.

The extent to which Israel is prepared to go — massacring innocent men, women and children — in pursuit of its unholy objectives has revolted even its closest allies. Even the United States has now been constrained to warn Israel that any further attack on West Beirut while negotiations with Palestinians are going on will bring

repercussions, and that the United States will consider enforcing an arms embargo. This latter need not be taken seriously. But the statement, coming at this time, does show that there is concern in the United States at world indignation over Israeli atrocities in Lebanon. The American Government ought to be perturbed, to put it mildly, at the Israeli brutality of the past month, and the effect that a continuation of this scorched earth policy may have on world opinion, and also on the American people. While cessation of hostilities is a larger issue, the maltreatment of prisoners of war is a matter which is much less complex and whose solution is not all that difficult. The International Red Cross regards captured Palestinians as prisoners of war — and so does the world at large. All countries of the world, and the United States as the one having the most influence over Israel, should bring pressure to bear on Tel Aviv, so that Palestinians are accorded the treatment they deserve on the basis of world opinion, on the basis of international conventions and, above all, on the basis of their bravery in a savage war which was suddenly imposed on them.

CSO: 4220/212

PAKISTAN

EDITORIAL CAUTIONS AGAINST DEPENDENCE ON AMERICAN AID

Karachi JANG in Urdu 29 May 82 p 3

[Editorial: "Potentialities of American Aid and Pakistan"]

[Text] The U.S. Senate Foreign Relations Committee is currently considering the issue of aid to other countries. Some decisions have already been made, while matters relating to certain countries are under way. The proposal for giving \$532 million to Pakistan during the 1982-83 fiscal year for the purchase of arms is in its initial stage of debate in the committee. The Foreign Relations Committee of the powerful Senate of the U.S. Congress will give its decision on this issue in a day or so, a decision that will determine to a great extent the fate of the agreement under the terms of which Pakistan is expected to receive \$3.2 billion during a period of 6 years, also how in the end this aid will be implemented and in what form.

The debate in the Foreign Relations Committee over the past 2 days, to say the least, can be described as surprising as well as incredible. Powerful members of the Senate, including Senator Cranston from California and Senator Glenn from Ohio, have demanded that Israel's demand for additional aid should be carved out of the aid allocated to Pakistan. The committee at first approved, 9 votes to 7, that during the coming fiscal year Israel should be given \$125 million in additional aid. On the question as to how this additional aid could be procured, the first-mentioned senator suggested that this whole amount should be deducted from the proposed \$532-million aid to Pakistan then under consideration. He said in clear and unambiguous terms that when there is a clash between Israeli and Pakistani interests, we must support Israel. The same senator, supported by Senator Glenn, tried to raise the alarm that very soon Pakistan will be starting work on its atomic project. He added that as soon as it is known that Pakistan is about to start work on reprocessing atomic fuel, all aid should be stopped. Both these senators raised the hue and cry that 5 months ago, when it was decided not to apply the Symington amendment to Pakistan, it was hoped that this country would halt its atomic program but that things did not turn out as expected. Therefore, as a first step, economic aid for Pakistan should be reduced, and in this way it should be given a warning. If despite this warning Pakistan 'warmed up' its atomic plant, then all aid to Pakistan should be stopped forthwith.

This detailed account shows that our expectations and hopes as far as the United States is concerned are based on weak foundations and that its pledges cannot be relied on. It is true that Senator Percy, the chairman of the Senate Foreign Relations Committee, cautioning his colleagues against a breach of faith, warned them that this would adversely affect the credibility of the United States and that not only would Pakistan not trust us in the future, but at the same time, other friends and allies of the United States would also hesitate to credit our pledges. But the members of the Senate who were bent on opposing Pakistan refused to give any importance to the statements of the committee chairman. It is not possible to predict what the final decision of the Senate will be and what shape the commission's [sic] final recommendations will take. It is quite possible that by the time these lines are published, its decisions will have been made public. It is also possible that at this stage no significant reduction will be made in the proposed aid to Pakistan and that the total amount will be maintained intact. But the proceedings of the meeting of this important committee reveal that nothing definitive can be said as to what will happen in the remaining 4 or 5 years, particularly at a time when one of our very big "benefactors" is going on a visit to the United States in a few weeks. She has already made known her intentions about expressing her displeasure over the proposed military aid to Pakistan. To intimidate and at the same time to subdue her hosts, she has already started her multipurpose campaign. At times she says that the United States and India are the world's two largest democracies and that both of them should respect each other's point of view. At other times, she says that the United States is a great power that India cannot disregard, and similarly her own country is also so big and so important that the United States cannot afford to cast it aside. Circumstances indicate that Mrs Indira Gandhi's efforts seem to be bearing fruit and that the United States, in view of its interests, appears to be adopting an attitude of appeasing India.

On the other hand, Israel's hostility towards Pakistan is a permanent and well-known fact. Everyone is aware of the contradiction that exists between the interests of Israel and Pakistan's way of thinking. The close relationship between the United States and Israel constitutes an important factor in world politics. The extent of that closeness can clearly be seen from the other day's proceedings of the Senate Foreign Relations Committee. During these proceedings, when one of the senators suggested an unexpectedly surprising proposal for the payment of Israel's loans in the form of American aid, one of his opponents replied that if today we accept the responsibility of Israel's loans, then the next day other U.S. states, e.g., Maryland, Illinois and others, will also demand that the federal government pay their loans. This senator practically placed Israel in the same category as one of the states in the United States. Similarly, another senator remarked that for the sake of providing the complete food requirements of one child we cannot starve other children. These are the remarks of two senators opposed to giving additional aid to Israel. One put Israel in the same category as other U.S. states, and the other senator looks upon Israel as a child of America. If we enter into a treaty of aid and friendship with such a country, then apprehension about its stability and usefulness will

forever haunt us. The Senate Foreign Relations Committee's recent debate reveals this fact in its entirety.

This situation demands on the one hand that so long as we depend on American aid we must strengthen our lobby in America and, to whatever arguments are put forward by our opponents, try to give convincing counter arguments, so that the agreement reached [between the two countries] is executed fully. On the other hand, we must try to reduce our reliance on foreign aid and shape our internal and external policies in such a way that we do not have to depend on one or the other superpower to the extent that in the event of losing its support we have to face dangers and difficulties. Our policies should be so balanced that even in the event of a change in the course of U.S. action, we are in no way faced with a situation or difficulty that could seriously jeopardize our national security and interests.

9315  
CSO: 4203/140

FEDERAL HELP TO SIND FOR WATER TO BE EXTENDED

Karachi DAWN in English 2 Jul 82 p 14

[Text]

ISLAMABAD, July 1: The Federal Finance Minister, Mr Ghulam Ishaq Khan, winding up the Budget discussion in the Majlis-i-Shoora today, said the Federal Government was fully aware of the water situation in Karachi.

He assured the Members of the Shoora, who in their speeches voiced concern over the water situation in Karachi, that the Federal Government was extending all possible help to the Government of Sind in this regard.

Mr Ishaq said that keeping in view the growing population of Karachi and its development needs, a Greater Water Supply Scheme in four phases had been prepared under which the water supply capacity would increase by seven crore gallons at each stage. He said so far

three phases have been completed at a cost of Rs 107 crore, raising water supply by 21 crore gallons.

The Minister expressed the hope that the Hub Dam would be completed, during the next few months. With the completion of the dam, 8.8 crore gallons of water would further be added to water distribution system in Karachi, he said.

The Minister said that Rs 31 crore, given by the Federal Government to the Sind Government for the completion of Greater Water Supply Scheme and Hub Dam, as loans, had been waived by President Mohammad Zia-ul-Haq.

The Federal Government had also contacted the Sind Government regarding the commencement of the fourth phase of Greater Water Supply Scheme.

CSO: 4220/212

## KARACHI'S SEVERE WATER PROBLEMS DISCUSSED

Karachi DAWN in English 2 Jul 82 Magazine p V

[Article by Azmat Ansari]

[Text]

If you want to know why Karachi is facing the worst-ever water crisis, don't ask Mr. M.A.Rahim, the chief of the Water Wing in K.D.A. He would turn round, shoot an angry glance at you and say with a note of anger in his voice: "People who say there is no water are liars. If they had been paying their dues regularly, there would have been no crisis to start with. The problem is that we all want to use water but don't want to pay for it." KDA owes lakhs and lakhs of rupees to the KESC. Not half the users have paid their bills. KDA is now only the water supplier in bulk – the retailers are the Water Management Board. "If we cut off the water supply of the defaulters, they come up with such emotional arguments like they have no water for ablutions – they can't say their prayers; there's a corpse in the house – they can't give it the last bath. If there were no water, how is life in the city going on undisturbed."

Just as these lines were being written, the loudspeaker from the minaret of a nearby mosque blared out: "Gentlemen (huzzaat), there is no water in the mosque today. You are requested to do your ablutions at home before you come to say your prayers."

Karachi was hit by a severe water crisis between 1956 and 1962 – but it was nothing compared to the present. "The problem with Karachi", a Government official says is that a large number of people who live here have their roots elsewhere. They live here as "tourists"; most of them are here to earn money anyway; they really don't care a straw about what happens to the city; they haven't developed a concerted civic sense as yet; they are not inclined to pay for what they use."

Mr. Rahim wanted this story to be written after another six months when "the results of the excellent work that the KDA has done by way of solving the city's water problem start to show". That is: once the Greater Water Supply Scheme was implemented, the City won't face any water shortage until the next century.

If the past record is any index of the solution of the water crises that the city has faced between 1956 and 1962, then it would appear that our planners may not be able to get us out of the water muddle – merely on account of a weak and timorous approach to the problem.

Complicated

The new 1200-cusecs Independent Canal which takes off from Chilka (a few miles further up the lower tip of Kheenjar Lake if you approach the lake from Karachi) can feed 520 cusecs into the 11-mile long concrete-lined Karachi Conduit canal. Right now, the gates are opened at Gujjo to allow approximately 240 million gallons daily into the canal. After the fourth phase of the Greater Kamal Water Supply Scheme is finished and the canal is improved additional 64 million gallons would be drawn from the canal at Dhabejor. After allowing for losses through evaporation and leakages, 300 MGD will be drawn finally - 280 at Dhabejor and 20 at Gharo.

The solution, says Mr. Rahim, is not pumping in more water into the system. The problem is so vast and so complicated that the brain of an average citizen can hardly grasp it. A whole set of new pipe lines, reservoirs, pumping stations, conduits and rising mains have to be laid out and installed. In a four-inch pipeline you can't pump in as much water as an eight-inch pipeline would take.

How did the citizens react in the wake of headlines: 'Half the City Goes Without Water' . . . . 'Dry Taps, No Water' . . . . 'Water Sells in the Black Market'. The population reacted mildly, and their protests were confined - mostly to letters to the editors: "The problem is not more - management, but more water", said one writer. "The creation of the water Management Board has not eased the problem, rather it has aggravated it."

A resident of Nazimabad was more specific. He wrote, "Earlier on, we got water every alternate days, now we are getting it every five days, and that too for a few odd minutes". . . . and perhaps not more than a few drops. At least once the administration played a practical joke on the residents of Nazimabad by throwing the sewage and untreated effluent into the pipelines.

#### Posh Areas

People in Karachi for the first time questioned the validity of having to live on water brought to their houses in tankers for which they had to pay so dearly. Why should a man living in Karachi pay, in some cases, 300 rupees for one tanker (the rate fixed by the authorities is Rs. 60) when a citizen

living in Lahore, Pindi, Hyderabad, Quetta and Beshawar pays only three rupees to buy the same amount of water? The cost of water in a 1200-gallon capacity tanker is only two rupees (two hundred pamas).

Sure enough the large number of people paying between 10 to 14 thousand rupees in P.E.C.H.S. and Defence Housing Society to see them through the summer would have to pay only three hundred rupees if they were living elsewhere in Pakistan. Why this difference?

Residents in the posh Defence Housing Society were so badly affected that some of them had wells dug in to take out sub-soil brackish water, one of which caved in.

In Nazimabad, reports of more wells being dug came in, although environmentalists had warned that all sub-soil water in Karachi may not be fit for drinking, some of it is positively contaminated.

A large number of residents of P.E.C.H.S. had their water pipes lowered into the ground several feet to let the low-pressure water flow into their taps.

Officials at COD Hills in Gulshan-e-Iqbal, and the KDA have held frantic meetings to find out ways of coping with the situation, and visiting the recently inaugurated Hub Dam to assess, how much water the KDA could draw out of the reservoir to feed the 100 million gallons a day water filtration plant at Manghopir. The reservoir is not even half filled up and all depends on the rainfall this summer. They finally decided that they would draw only 89 million gallons daily from the reservoir.

#### In Theory

But the most dramatic evidence of the shortage of water in the city is the Muslimabad Hydrant - a walled in compound from where, at least on paper, 1815 trips of 1200 and 1500-gallon capacity tankers originate every day.

The Hydrant Complex, only a furlong from the Quaid's mausoleum, is alive with life: tanker owners crowding around the clerk's window to deposit tax, - drivers waiting out their turns to move their vehicles under the hydrants, housewives coming with sand stories.

Of the 13 hydrants in Muslimabad two are set apart for KMC, two for private companies and government and semi-autonomous bodies such as the KESC, Korangi

Power House, SUPARCO, Coast Guards, Steel Mills, National Logistic Cell, Fire Brigade; eight hydrants are exclusively for the use of private - tankers.

At least in theory, the Corporation in some cases is supposed - to give water free of cost to people who complain that their taps are without water. In practice not more than fifty tankers - the maximum number that can be filled up from the two hydrants set apart for the KMC - go out to houses in very widely scattered localities.

And it is interesting to note that some people in the city can get water free of cost whereas - others have to pay for it; however, at times, people have to wait for months together to get a free tanker which lasts not more than three or four days for an average household.

Water for the towzain's and wilted cacti and bare grass in the Quaid's mausoleum goes from the very hydrant - not more than five to ten tankers every day, according to the management; in actual practice it may be less.

The residents of the Defence Housing Society who deposit 40 rupees (according to some residents 60) are a little better off compared with people in other parts of the city who have to pay much more to buy the same amount of water.

The rates fixed by the Karachi Water Management Board for a tankerful of water are sixty rupees per tanker provided the distance of the tank or the container in which the water has to be emptied at the destination is not more than 15 feet. If the distance is more than 15 feet than the rates are bargained for. In some cases, fifteen hundred gallons of water has sold for three hundred rupees or more.

Some people argue that if there is water at the Muslimabad hydrant, then the bad situation has arises only due to poor distribution and not to any shortage of water; others say it is because of the low pressure of water in the pipes which is actually the same thing: when water is scarce, pressure in the taps is low.

Apart from the Muslimabad

Hydrant, there are quite a few more in Sher Shah, Stadium, Karar, Sakhi Hasan and North Nazimabad.

Is the shortage of water artificial and maliciously manipulated by vested interests? In peak summer months, an average tanker owner earns between nine to fifteen thousand rupees every month, that is if they charge the buyers at the official rate which means they earn much more. No sane person would like to forgo this income.

A large number of people in Karachi do not look at the tanker owners as greedy and rapacious lot of businessmen, rather they look up to them as their friends. Especially if they live in a place where the nearest water line is ten miles away, and the sub-soil water is brackish and entirely unfit for drinking.

In Karachi the problem acquires a peculiar intensity: the pollution is on the increase, the industries are growing, the city is expanding - lack of adequate supply of water is a major constraint on the development of industry and construction of buildings; costly water supplied in tankers and electricity twice as expensive as in the rest of the country could make it difficult for any Karachi-based Pakistan manufacturer to compete effectively in the world market.

A horticulture expert who was interviewed for 'Dawn' recently said that the devastation is so complete that several public parks in Nazimabad alone will have to be laid out afresh; trees and bushes are dead or dying. "We will have to build the parks from scratch. Hill Park, of course, is finished."

This drying up and wilting of the parks and gardens have come in the wake of new reports that the environs of Karachi have been found to be specially suitable for fruit and vegetable gardening. Just think for a moment what grows in and around Karachi: coco-nut, betel-leaf, areca nut (chalya), cheeko, guava, ornamental cardamom, papaya.

People for the first time are questioning: Is Karachi a safe city to live in at all? Is the city on the brink of disaster? Will Karachi again become the desert that it once was?

PAKISTAN

NDP LEADER PROTESTS DISCRIMINATION, LACK OF FREEDOM

Karachi JANG in Urdu 29 May 82 p 1

[Report by JANG representative: "Wali Khan--"Political Restrictions Should Be Imposed on All Parties Equally; We Do Not Need Someone's Certificate to Prove Our Loyalty to the Country"]

[Text] Mardan, 28 May--The leader of the defunct NDP, Khan Abdul Wali Khan, has said that his party would not hesitate to make any sacrifice to restore democracy and human rights. He strongly demanded that the government hold immediate elections in the country and transfer power to the representatives elected by the people. Today he addressed a public meeting at Takar, 10 miles from Mardan, to observe Takar martyrs day. He paid glowing tribute to the martyrs and expressed sorrow at the fact that the people whose sacrifices made this country independent were being remembered in a place of confinement. He said that politics has been restricted for 35 years in this country and presently an effort was being made to deprive them of even the right to live. He said that during the British rule of slavery, there was freedom of assembly and no restrictions on newspapers. Now in their own country, however, all freedoms had been taken away. He said that if political activities are banned under martial law, those restrictions should be imposed equally on all parties. He said that this restriction was for his party alone, while there were no restrictions on meetings of the defunct Jamiat-e-Islami, the Muslim League Pagara group and other flattering courtiers. He said that he was constantly being blamed for breaking up Pakistan, but he wanted to know from the government why those people, who actually broke up Pakistan were still not being questioned as to how the country was split. He demanded that the heinous faces of the collaborators be unveiled. Wali Khan said that his party could not give further proof of its loyalty and did not need a certificate for that from someone, since this was its own country and it, too, made sacrifices to free the country from British rule. He said that the disciples of the British were pretending to be loyal, while those who love freedom were being restricted. Wali Khan said that Islam was not in dispute between them, since they were all Muslims. If the government wanted, there could be immediate total implementation of Islam in Pakistan. He said that Islam was being ridiculed in the country and selfish motives were being pursued in the name of Islam. He said that there was a conspiracy to involve the army in politics, but the

army should not become a political party. Criticizing the defunct Jamiat-e-Islami, he said that that party was trying to promote its policies in Pakistan in the name of the Afghanistan refugees. Such claimants of Islam obtained salaries to talk about Islam. He said that from the time of the British rule up to the present he had never bowed to anyone and that would not happen in the future either.

9779

CSO: 4203/137

PAKISTAN

MUSLIM LEAGUE LEADER AGREES TO NONPARTY ELECTIONS

Karachi JANG IN Urdu 27 May 82 pp 1, 8

[Report by JASARAT representative: "Pir Pagara--'If People Pray Fervently, Elections Might Be Held by 1992; Zakat Committees Are Turning People into Beggars; If Elections Are Held, Muslim League Will Gain Victory; Hur Warriors Will Fully Defend Pakistan Against Aggression'"]

[Text] Khair Pur, 26 May--The leader of the defunct Muslim League, Pir Pagara, has said that he has never declared that elections will be held in 1982. He said that if the Pakistani people offer their obligatory prayers, elections might be held by 1992; otherwise, there is no hope of elections for a thousand years. During an informal meeting with the press today, Pir Pagara accused the government of not watching Jamiat-e-Islami carefully enough. Jamiat-e-Islami, Pir Pagara said, was fully involved in all of the incidents of terrorism occurring in the colleges of Pakistan, and the party itself was functioning with the support of the government. Commenting on the Zakat committees, Pir Pagara said that these committees are turning people into beggars who wait for charity every month. The government has made them beggars. The government should give enough assistance to every person to enable him to stand on his own feet. The system of Zakat in the country has failed. An audit group should be formed to check the accounts of these zakat committees. Pir Sahib said that his personal feeling was that the government will have to spend hundreds of thousands of rupees for this task. In the interest of the country, therefore, the government should end this system at the first opportunity. Pir Sahib said that there was a vast difference between the crimes of the past and the present government's. He said he felt that the government of the People's Party itself was responsible for promoting crime. Nevertheless, the situation is not the same now and the current government is clear of this charge. He said that they, i.e., his party, once offered the presidency of the Muslim League to the president of Pakistan, but he turned it down. The president now says that if he is offered the presidency of the Muslim League again, he will accept it. Responding to a question, he said that if this country was driven into war, by India, Russia or Afghanistan, the Hur warriors would participate just as they did in the 1965 war. Pir Sahib said that bribery was now extremely common in all government departments. The president himself has admitted that a task that was previously accomplished with 50

rupees now requires 1,000 rupees. Due to improper government expenditures, there is now high inflation in the country and it is difficult for a poor person even to feed himself. He demanded that the government free the press from restrictions, free political leaders and lift the bans imposed on political parties. He said that the Pakistani public has already rejected the People's Party and the Jamiat-ul-Ulma-e-Islam; these parties have deceived the public in the name of Islam. Replying to another question, Pir Sahib said that the Muslim League was the largest political party in Pakistan and if elections are held, the Muslim League would achieve an overwhelming majority. In answer to a question, he said that there was only one Muslim League in Pakistan, the other two were nonexistent because a Muslim league cannot be formed with only two persons. He said that the newspapers are wrong to say that the Muslim League is divided into three groups. Replying to a question, Pir Sahib said that the Muslim League will participate in elections held on a nonparty basis and that the current situation was suitable for elections. He said that Jamiat-ul-Ulma-e-Islam and Jamaat-e-Islami did not have any candidates for elections before and the Muslim League provided them with its own candidates who ran for their seats in the name of Jamaat-e-Islami and Jamiat-ul-Ulma-e-Islam. Pir Sahib rejected the notion that the Jamaat-e-Islami and Jamiat-ul-Ulma-e-Islam were involved in breaking up National Alliance. He said that if nonparty elections, as favored by Jamaat-e-Islami, are held in the country, the Muslim League will free its workers to participate in the elections. He said that the Federal Advisory Council was limited to Islamabad only. In conclusion, he said that no one was with Khawaja Khairuddin and he was deceiving the public by saying that his Muslim League was a genuine party. Pir Sahib said that his Muslim League embodied total democracy and gave everyone an opportunity to express his opinion. If Khawaja Khairuddin's party criticized the Pagara league, it did not have any ill effect on his health. Responding to a question from a JASARAT representative as to why he was so scared of the reporters of JASARAT, he said that the JASARAT representatives did not cooperate with him and presented his statements in a distorted manner.

9779

CSO: 4203/137

PAKISTAN

EDITORIAL DEPLORES GOVERNMENT ACTION AGAINST NDP LEADERS

Karachi JASARAT in Urdu 27 May 82 p 3

[Editorial: "Indecent Conduct"]

[Text] The Government of Punjab took an unexpectedly surprising action against the leaders of the defunct NDP who were holding a meeting of the NDP Central Working Committee at the residence of Mr Latif Qureshi. Khan Abdul Wali Khan, Begum Abdul Wali Khan, Sardar Sherbaz Mazari and Haji Ghulam Ahmad were among those arrested. They were subsequently conducted to their respective residences. According to our correspondent's report, the meeting started in the morning at 10 am. At that time, a large number of policemen were present near Mr Latif Qureshi's residence. Police arrested all the participants at about 11:30 am.

This action was uncalled for, regrettable and ugly. A press note issued in this connection stated that the Punjab Government was forced to take legal action and arrest all those members of the defunct NDP who were holding a meeting of their Central Working Committee in violation of Martial Law Regulation Nos. 33 and 48. However much the government may try to make this action appear legal and logical on the basis of martial law regulations, the truth is that the reasons put forth are not sound enough to justify this action. These regulations have been in force for quite some time. Despite these regulations, a number of political parties held such meetings in the past, and the Government, exhibiting a spirit of tolerance, did not create obstacles. There was a good tradition of tolerance, and justice demands that all political parties should benefit from it on an equal basis. Why was the NDP deprived of the benefits of the tolerance that was shown to other parties? Does this mean that this action is intended to make one party appear oppressed, thus making it eligible for political benefits? Mr Wali Khan, Begum Wali Khan and Mr Sherbaz Mazari, on arriving at Peshawar and Karachi, rightfully declared that their party was subjected to discrimination.

We have previously stated in these columns that limiting the movements of national leaders within the borders of their home provinces and imposing restrictions on their entry into other provinces means that it is government policy to discourage them from carrying on activities from a national point of view and at a national level, thus limiting their activities to the borders

of their respective provinces and forcing them to adopt a narrow regional outlook. Is this a policy of national unity or is it directed at encouraging regionalism?

Second, this action was carried out in an extremely uncouth manner. This meeting of the NDP was not a secret affair. Reports about the meeting had been published in newspapers for days. Members of the Working Committee were gathering from various parts of the country. In Lahore, too, newspapers published reports about their arrival. All this was neither a conspiracy nor a secret affair. This was done openly and in accordance with established political ethics, but the action of the government made it look as though a gamblers' den was being raided or a gang of conspirators was being attacked. While arrangements for the meeting were proceeding openly, why couldn't the Punjab Government use its discretion a day or two earlier and warn the participants and the hosts. When the meeting was opened at 10 am, even then the site of the meeting was surrounded by police. Before the inauguration of the session, the meeting could decently have been forbidden. To raid the meeting and announce without any warning that all those present were under arrest is a very improper and uncivilized way of doing things. This is not how national leaders should be treated.

Begum Wali Khan's point that if all her colleagues were arrested under the same clause, how was it that she was released but her other colleagues were sent to jail deserves consideration. The Punjab Government which took the trouble to issue a press note on the incident, should issue a similar press note to explain the following two questions. First, since all such meetings of other political parties were not considered accountable under martial law regulations and were overlooked, why was the NDP subjected to such a discriminatory action? Second, when all the 52 members of NDP were arrested under the same clause and in the same place, why were 48 leaders sent to jail and the remaining 4 leaders--Haji Ghulam Ahmad Billor, Wali Khan, Begum Wali Khan and Sherbaz Marari--released? What was the basis for setting them free and why were these four leaders treated differently? We impatiently await the explanatory reply of the Punjab Government in this matter.

9315  
CSO: 4203/136

## SHOORA COMMENTARY--MEMBERS EXPRESS DISPLEASURE

Karachi DAWN in English 2 Jul 82 p 14

[Article by Anis Mirza]

[Text]

ISLAMABAD. July 1. The two-week tumultuous general debate on the Budget started with a bang and also ended with a bang. Just as Finance Minister sexagenarian Ghulam Ishaq Khan announced with a flourish that members of the Majlis would get free First Class return rail tickets from Karachi to Peshawar at army of members rose in protest. The Chairman had barely prorogued the current session, when members were seen walking out in anger from the back lobby.

When Mr Ghulam Ishaq made the announcement of the rail tickets, one of the first to protest in the house was Karachi's labour leader Malik Mohammad Shafi. From the side seats Hussain Haroon from Karachi wanted to know whether the Finance Minister had finished his speech. There was laughter in the back benches. Several members rose in their seats and in a chorus shouted. "Thank you for the tickets, we don't want them. We came here to project problems and press for concessions to the common citizens."

From his elevated dais Chairman Shaukat Mohammed Salfur was heard repeating constantly "please sit down, please sit down, you cannot raise points of order". But before the Shoora Chairman could complete his customary vote of thanks, groups of members were seen with glum faces leaving the Shoora hall.

Among the members who were seen leaving the hall were Malik Mohammed Shafi, Kamaluddin Bخارپوری, Hussain Haroon, Anwar Tareen, Umar Hayat Soyal, Syed Saeed Hassan and Khur-

shid Ahmed Kanju. Later in the main lobby several members told correspondents that the Finance Minister had given a slap on the faces of the Shoora members. They said that in the long 15-day debate they had repeatedly pointed out that tax concessions on income and relief on items which affected the average citizen should be given serious thought.

During the Budget debate groups of members had called on President Zia-ul-Haq and informed him that the Finance Minister should find ways and means of giving relief to the common man.

Maulana Samiul Huq of Peshawar said: "The Finance Minister in his winding up speech gave us a long lecture on Islamic concept of social and economic justice. Preaching is not his job. He should have spoken on the possibilities of giving tax relief to the common man." Some other members took exception to Mr Ghulam Ishaq Khan's introductory remarks that some of the speeches in the Shoora were reminiscent of "Mochi Gate and Chawki Yasdgari". One member said that his remarks typified the contemptuous tone of a bureaucrat, who had no links with the people. Another member said "It was a typical remark of a secretariat man".

The scene outside the Press Information Department room in the Federal Council was not a very peaceful one either. When correspondents — most of whom were fasting due to Ramazan — rushed to get the 67-page speech of Mr Ishaq Khan, they were told that the Finance Ministry had given only one copy which would be cyclo-

styled and circulated two hours later. Many of the Pressmen went away grumbling without a copy of the Finance Minister's winding up speech.

The response to the setting up of a 6-member Shoora Ushr Committee was equally noisy. The Ushr Committee proposed by Brig (Retd) Mohammad Asghar was generally well received. However, Sardar Balakht Sher Mazari, a well-to-do land-owner from Dera Ghazi Khan, wanted the number of members on the committee to be increased. A sharp warning came from Peshawar's M. Hamza who said in a loud voice: Don't keep too many big Zamindars on the Ushr Committee. They talk a lot about Islamic social justice but when it comes to the implementation of that justice they raise a chorus of protests, and create delays and hurdles".

In his 100-minute winding up speech on the conclusion of the general debate on the 1982-83 Budget, Finance Minister Ghulam Ishaq at the very outset pointed out that a yearly national Budget for eight crores of Pakistanis could not be expected to satisfy all sections of the population.

In an address, marked by spells of Urdu and Persian verses, the Finance Minister said he was appreciative of the suggestions made by the members and in future planning the Government would keep them in mind.

Pointing to the absence of logic in some of the propositions put forward, the Finance Minister said while the members had urged for greater defence expenditure they had simultaneously pressed for a cut in taxes. Others had talked of a revolutionary Budget but had not spelled out whether they wanted a green or red revolu-

#### L.D.N

Referring to Mr Chuliam Farooq's observations that the Budget should have been "more courageous", Mr Ghulam Ishaq said it obviously meant that 10.0 crores of new taxes should be imposed. "I agree in principle" Mr Ghulam Ishaq said "but taking into account the realities, the fact is that the nation is in no position to go through the agony of more taxes".

Referring to the criticism about dependence on foreign aid the Finance Minister said even those countries which took pride in being self-sufficient, were in search today of loans from abroad. Calling corruption a national malaise, the Finance Minister said it was not confined to the services alone but was prevalent in all walks of life.

The Finance Minister said Pakistan's economic progress was generally recognised and by and large the country had in five years come out of the difficulties of the seventies. He admitted savings were low and argued that the textile industry crisis was the result of internal and external factors.

During the 15-day Budget debate Mr Ghulam Ishaq had been taking profuse notes. His lengthy speech in rather ponderous Urdu tinged by a Pushto accent, was a point-by-point reply to the reflections, arguments, criticism and suggestions made by no less than 181 members of the Majlis-i-Shoora.

Chairman Khwaja Saifdar before announcing the prorogation of the Shoora, thanked the members, the Ministers, the Shoora Secretariat staff and the Press for their co-operation and interest.

**FRUIT PROCESSING TECHNOLOGY STUDIES UNDERWAY**

Karachi DAWN in English 2 Jul 82 p 13

[Text] The Pakistan Council for Scientific and Industrial Research (PCSIR) is studying the prospects of gainful utilisation of its technologies in Baluchistan in the field of fruit processing and rural development.

With this objective, farmers are being interviewed and presented with samples of products of fruit processing technologies of the PCSIR to give them an idea of their quality.

PCSIR has entered into a working arrangement with the Baluchistan Development Agency (BDA) for the purpose.

The PCSIR has opened its camp office at Quetta and appointed a Liaison Officer there.

PPI adds:

Meanwhile, the PCSIR has decided to extend its project of providing clean drinking water to the rural population all over the country.

The project which was initially launched in Sind province in June last year has achieved encouraging results.

The Chairman PCSIR, Dr M. Aslam said that under the new annual development programme (ADP) of the Council Rs 18.50 lakh have been allocated for the project for the next two years.

He said a high level meeting was held at the Council's Office, Karachi, on Thursday to review the progress of work on the project being carried out jointly by the PCSIR and the Appropriate Technology Development Organisation (ATDO).

The meeting was chaired by Dr M.A. Kazi, Adviser to the President on Science and Technology.

CSO: 4/20/212

## KARACHI UNIVERSITY CAMPUS CLASH REPORTED

Karachi DAWN in English 2 Jul 82 pp 1, 14

[Text]

A student of Karachi University was shot dead and seven others were injured, three of them seriously, in a clash between two rival groups at the Campus on Thursday afternoon.

The deceased was identified as Qadeer Aadi Javed, a Third Year (Hons) student of the Department of International Relations.

The others who received injuries were: Haai Khan Baluch, President of the United Students Movement; Mehbood Patel, Munir Baluch, Nasar Ali Abasi, Abdul Rauf, Iftekhar Ahmed and Tariq — all members of the United Students Movement.

No one was reported injured from the other group, the Islam Jamiat-i-Turab, official sources told DAWN.

Haai Khan Baluch and Abdul Rauf received grievous bullet wounds. A bullet passed through Mr Haai Khan's right foot while the other slipped through his left leg. Abdul Rauf received a bullet wound on his left leg.

Mehbood Patel was hit on his head by some hard and blunt objects and he was unconscious till late last night.

Qadeer received two bullet wounds on his head and was removed first to the Al-Zain Shahid Hospital and later to the Neuro-surgery Department of the Jinnah Post-Graduate Medical Centre where he died around 3 p.m.

Abdul Rauf and Mehbood Patel were admitted in the JPMC and others were discharged from Civil and Al-Zain Shahid Hospitals after necessary treatment.

The Police registered a case on the complaint of the Student House Officer, Gulshan-i-Huda

Police Station, against unknown accused persons and arrested one Imtiaz, alias Qadeer, on murder charge.

Soon after the clash the police carried out raids and searches at the Arwan-i-Qaud-i-Azam and other Karachi University and NED University hostels. One Azeem was rounded up by the police for allegedly possessing a revolver with three live rounds. He tried to pull out his loaded revolver when DSP Waheed Ahmed Siddiqui boarded a passenger bus to carry out a search. But he was overpowered, placed under arrest, and booked under Section 14-J Arms Ordinance.

Haai Khan Baluch has named ten accused persons and alleged that Saifuddin Irshad, Salim Aignam, Imtiaz (already arrested by the police on murder charge), Qulzar, Akhtar, Ahmed Ali, Zarar and Usman Mohammam were responsible for the clash.

#### FUNERAL

The funeral procession of the late Qadeer Aadi Javed was taken out from his Burns Road residence. A large number of students belonging to the USM and members of the University teaching staff participated in the procession.

According to a late night report, the Gulshan Police also arrested one Sher Azai, a student of Philosophy Department and an active member of the USM, for his alleged involvement in the clash.

The police continued searching vehicles and raiding other suspected places for weapons.

It was the second armed clash between the two rival student groups at the University Campus during the past one week. In

the previous clash also Hazil Khan had received injuries.

The trouble started yesterday when two students of the rival groups quarrelled over some petty matter. As tension was mounting at the Campus following the last week's clash, the scared students at the Arts Faculty became panicky and started running away. Suddenly the opponents of the USM reportedly opened fire indiscriminately.

Two students, including Qadeer received bullet wounds from point blank range. The firing continued for several minutes. During the clash, the students freely used hockey sticks and other hard and blunt objects.

The injured persons said that the attack on them was allegedly pre-planned and with an ulterior motive.

A group of students belonging to the USM hurriedly called a Press conference in which they accused the Islami Jamiat-i-Tulaba of attacking their friends.

They accused Saifuddin, Usman Mohammad, Zarar, Altaf Shakoor and Gulzar of organising the "armed attack".

The Press conference was jointly addressed by Malik Mohammad Aslam, Miss Sabra Bano, Aleem Adil, Khwaja Ghulam Hussain and Latif Balouch.

They blamed the University administration and the law enforcing agencies for showing "partiality" in dealing with the situation.

#### JAMIAT'S STATEMENT

Mr Mahmoud Ghaznavi, former President of the Karachi University Students Union and an active member of the Islami Jamiat-i-Tulaba, has expressed a sense of profound shock over the death of Qadeer Abid Javed.

He accused the Communist terrorists of being responsible for his death and demanded expulsion of "Abid Afzal and his associates" from the University.

He also demanded an inquiry into the death of Qadeer.

#### DSP STATEMENT

The Democratic Students Federation has condemned the attack.

A statement signed by the Press Secretary of DSP called upon the authorities to take action against those responsible for the attack.

#### TEACHERS SOCIETY

The President and General Secretary of the Karachi University Teachers' Society, Mr Riaz Rana and Mr Nihal Rizvi, also condemned the attack and demanded immediate action against the "culprits".

Mr Panhuddin Salar, Information Secretary and Mr B M Kutty, member of the Central Working Committee of the defunct Pakistan National Party, have condemned the armed attack on USM members and asked the Government to punish the miscreants.

They visited the hospitals and inquired about the welfare of the injured persons.

#### PRESS NOTE

The following Press note was issued by the Deputy Commissioner, East Karachi, in connection with the disturbance in the Karachi University campus.

"This morning (Thursday) at about 11.00 hours a clash took place between two groups of students at the Karachi University campus in which firearms were used. Four students were injured. Out of which one succumbed to his injuries at the Jinnah Post-Graduate Medical Centre where he was taken for medical treatment.

The law enforcing agencies reached the place of occurrence soon after the incident and the situation was soon brought under control. Further investigations are in progress.

"Two persons have been arrested."

## BUDGET DEBATE WOUND UP; SOME IMPORT DUTIES WITHDRAWN

Karachi DAWN in English 2 Jul 82 pp 1, 14

[Article by Hasan Akhtar]

[Text]

**ISLAMABAD, July 1**  
Winding up a marathon discussion today on the federal Budget in the Majlis-Shoora, Mr Ghulam Ishaq Khan, Finance Minister, made some small concessions when he withdrew the import surcharge of five per cent on books, medicines and drugs, although he raised the duty from 25 paisa to 30 paisa per bottle on imported beverages, which he said, would partly go to meet the shortfall as a result of the concession he had made.

The Finance Minister took an hour-and-a-half to reply to the criticism and suggestions made by members in the course of the debate spread over 13 days. He said he would like to allay the members' fears that the Government would introduce any "mini-budgets" in course of the current fiscal year. He clearly indicated the possibility of price adjustments, if necessary, due to unavoidable and international major economic changes, but said, it would not amount to pre-ordination of new or mini-budgets.

Mr Ishaq's announcement towards the close of his speech to allow free or cost railway tickets to each member of the Majlis to enable him to travel anywhere twice a year to establish public contact, seemed to have come as an embarrassment to several Majlis members. One of the

members stood up to say that the Finance Minister might have avoided making the announcement at this stage since the members would find it difficult to follow up this account in view of the demand of cutting down Government expenditure. However, the concession remained withdrawn as many members appeared to realise its utility.

Mr Ishaq emphasised that the nation would have to foot the bill if it sought "to travel first class as it should". He pointed out the requirements for national defence and development of the country and said Majlis members were anxious that these two sectors should be given maximum attention. It was, therefore, logical that the nation should be prepared to make sacrifices in order to raise additional necessary resources for these two important national tasks, he said.

The Minister defended Government's taxation policy, and claimed that rate of taxation was lower in Pakistan than in many other developing countries including "our neighbour," apparently referring to India.

He said the additional taxes of Rs 300 crore, sought to be realised during 1982-83, would go half and half towards meeting additional burden on exchequer due to increased additional dearness allowances for public servants to give them some relief against price-rise and to defray the additional Rs 200 million defence expenditure so very necessary to maintain the country's national independence.

The Finance Minister, at the outset, said that the current Budget sought to maintain continua-

by its Government's endeavours to bring the country back from brink of economic collapse at which it stood in 1977 due to previous Government's economic mismanagements and lead it to stability wherein investment climate should improve and production increase.

He reiterated the objectives of Government economic policies which aimed at overall development of the country, with special emphasis to improve the conditions in the underdeveloped pockets, and leading the country finally to Islamic social and economic order based on "Adl" and "Ehsaan". He assured the House that the Government was seriously pursuing "Islamisation of economy" and reminded that it needed to be done after very careful deliberations and with good deal of caution, because a wrong step could lead to results which might be counter-productive to the ultimate aim.

He claimed Pakistan was reducing its dependence on foreign assistance for its development. Out of a total estimated foreign aid of Rs 1565 crore, Rs 787 crore would go towards repayment of outstanding foreign debts and out of the balance nearly half would be spent on payment of additional interest amount leaving a net amount of Rs 342 crore for utilisation. He said, in fact, Pakistan would contribute about 60 per cent from its own resources and avail itself of only 11 per cent foreign assistance for its development.

Mr. A. R. Khan, Referring to demand for raising the limit of taxable income from the present Rs. 12,000 to Rs. 15,000-18,000 the Minister said many categories of income in Pakistan were already exempted from income tax. These included agricultural income, concessions to salaried persons, exemption of dividend income up to limit of Rs. 15,000, dividends of companies set up between 1977 and June 1981, income from newly constructed residential property, many savings schemes and income from bonds.

He said if these exemptions were added up most of which was taxable in our neighbouring country, the net taxable limit in Pakistan would be more than Rs. 15,000.

He repudiated contention that the rate of income tax in Pakistan was so high that in certain cases the combined income tax and super tax totaled about 70 per cent of the income. He said the maximum rate of tax on

personal income was 60 per cent while rate of surcharge on income above Rs one lakh was 10 per cent. On commercial companies the tax rate was 50 per cent with five per cent surcharge.

He said in the decade of 1960, rate of tax on personal income ranged up to 57 per cent and in the 80s up to 65 per cent. However, this rate did not fully reflect the actual position because effective rate was much less. The salaried persons, with gross income up to Rs 30,000, paid an average of 28 per cent and those up to Rs one lakh 33.1 per cent.

Regarding demand for reverting to the procedure of directly deducting the investment allowance, the Minister said the present procedure saved the small tax payers from paying heavy tax because they were unable to have. In the direct deduction system, people in higher income group benefited more which was not equitable.

About the demand for a concessionary rate of 13 to 20 per cent of tax on those who would declare black money, or for allowing them the facility of bearer bonds, the Minister said this proposal had been thoroughly examined many times but the Government arrived at the conclusion that the present procedure should be continued because by condoning tax evasion it would be tantamount to promoting dishonesty and discouraging honest tax payers.

He said in the past, people having black money, were thrice given chance to pay taxes in 1966, 1969 and 1976 but every time the declaration were far below expectations and the tax received was very small.

The Finance Minister said if tax evaders now declared their black money, paid due taxes and promised to refrain from manipulating, then there would not be further probe.

On the demand for enhancing taxation on luxury items, the Finance Minister said local imports of luxury items and comforts did not exceed three to four per cent of the entire import list. Already, the rate of import duty on these items was very high as in the case of cars which was 40 per cent and airconditioners which was 200 per cent.

He said these items were not part of import policy and came under GIFT scheme. Any enhancement of duty in this case would not add much to revenue but would encourage smuggling instead.

Defending the 18 per cent excise duty on hotels, he said it

was imposed on boats which served well-to-do sections of society and could be considered as a tax on luxury item. It was not possible for him to withdraw this tax.

Explaining the reduction of duty on soda ash, Mr Ishaq said it would benefit those industries which used soda ash as raw material. He did not agree with the suggestion that 30 per cent tax on bus body building be withdrawn and, instead, imposed on chassis.

The Minister defended wealth tax and gift tax which, he said, was essential to run the taxation system effectively.

The Minister said the revision of prices of petroleum products was unavoidable because of international developments, and because of the de-linking of the Pak rupee from the dollar. The Government had increased price of kerosene oil which was used by the poor. The effect of rise in the price of diesel had been exaggerated and should not be more than 10 to 15 paise per mile on a truck. The net increase on transportation of commodities should not be more than one to two per cent.

Regarding the five per cent surcharge on imports, the Minister said it was imperative to mobilise additional resources for defence and development.

About the deficit financing, he said the balance between the

monetary expansion and the real GNP was essential otherwise inflation or recession could take place. He said the limit of the monetary expansion was decided by the National Credit Consultative Council and within those limits the public and private sectors fixed the limits of their advances.

He said dependence on deficit financing, when this Government took over in 1977, was very big. In 1976-77 deficit financing was five per cent of the GNP.

He said the present Government reduced the deficit financing which was 1.4 per cent of the GNP in 1981-82 and in 1982-83 it was only Rs. 370 crore as compared to last year's Rs. 645 crore.

He said the current account deficit in the country's balance of payments position averaged in the last three years to about dollars 1100 million per annum. Though there was a hike in the oil prices, the deficit had not gone up.

He said in 1975, the deficit in the balance of payments was 10 per cent of the GNP which was three per cent of the GNP in 1980-81 and would be three and half per cent during the current year. He said the deficits of some oil importing countries had gone up three times but Pakistan's position improved instead.

DSO: 4120/212

## NEW DIVISIONS AND DISTRICTS COME INTO BEING

Karachi DAWN in English 2 Jul 82 p 1

[Text]

LAHORE, July 1: With the inauguration of three new Divisions and six new Districts in the Punjab today, the province now comprises eight divisions and 27 districts which marks a change of far-reaching effect in the demarcation of revenue limits and administrative setup.

The new Division of Gujranwala consists of Gujranwala and Sialkot districts of old Lahore Division and Gujrat District of old Rawalpindi Division.

Faisalabad Division, sliced from Sargodha Division, comprises the districts of Faisalabad, Jhang and the newly created district of Toba Tek Singh, which was hitherto a sub-division of the Faisalabad District.

The Dera Ghazi Khan Division, carved out of Multan Division, comprises the districts of Dera Ghazi Khan, Muzadargarh and the newly created districts of Rajanpur and Larkana which were

previously tehsils of D.G. Khan and Muzadargarh districts respectively.

The newly established district of Okara, carved out of Multan Division, has now been included in Lahore Division.

Tehsil-wise break-up of the new districts is as follows:

Okara District: Okara and Depalpur; Toba Tek Singh District: Gajra, Kamalia and Toba Tek Singh; Larkana District: Larkana, Karorla, Eesa and Chubaria; Bhakkar District: Bhakkar, Mankera and Kalur Kot; Khushab District: Khushab and Nurpur; Rajanpur District: Rajanpur, Rojhian and Jampani.

Necessary arrangements for fresh elections during this month of chairmen and vice-chairmen of 12 new and bifurcated District Councils, according to official sources here, have been completed.

CSO: 4220/312

## ORANGI NOW WITHIN KARACHI LIMITS

Karachi DAWN in English 2 Jul 82 p 10

[Text]

The Chief Secretary, Sind, Mr Masud Zaman, said here on Thursday that the Government had issued a regular notification for inclusion of Orangi Township into the limits of Karachi Metropolitan Corporation.

Speaking as the chief guest at the "Jahangirana" Township, Mr Masud Zaman said that this step of the Government would yield hopeful and far-reaching results with regard to the development of the area.

He expressed the hope that KMC would utilise its all resources for the development of the area and the welfare of a people.

He said the Government was pursuing a balanced policy with regard to the development activity in the province. He said the Government's desire was to pay special attention to less developed areas so that the entire population of the province could equally benefit from the fruits of development.

He pointed out that the Government's interest in the development of Orangi Township was evident from the fact that in 1979 the President of Pakistan gave an amount of Rs 30 million as a Federal grant for the laying of pipeline and sanctioned another Rs 10 million for supply of drinking water to the area.

He said that the provincial Government and the RDA were also engaged in providing the basic amenities of life and carrying out development works from their own resources. As a result of these co-ordinated efforts the development activity had taken a start.

The Chief secretary said that the Orangi Township Development Board has already been constituted and distribution of lease had also been undertaken.

He said the development work was being executed in a planned manner for which besides land survey the Government has also carried out an aerial survey of the area to ward off any encroachment in the planning.

He said that to ensure effective development of the area, the Government had brought an important change in its policy under which the amount recovered from distribution of lease and other development charges will not be deposited in the KMC's general treasury, but would be spent exclusively on the Orangi development.

Speaking on the occasion, the Sind Secretary for Local Government, Mr Salman Faruqi, said that a model law ordinance will shortly be issued for streamlining procedures for regularization and development of local bodies in the province.

He said that the model ordinance development will be responsibility of local bodies and a board will be constituted for larger settlement.

Mayor Karachi Mr Abdul Sattar informed the Orangi people that all efforts will be made by him for the development of area.

Mr S M Akhtar, Councillor, demanded that the Development Board should be properly organised and given more powers for carrying out development in Orangi Township.—

BRIEFS

IRATE DRIVERS BLOCK HIGHWAY--The RCD Highway at Hub Chowki was blocked for three hours yesterday by trucks, buses and other vehicles as a protest against the increase in the toll tax. The Highway, linking Karachi with Quetta, remained blocked for over three hours and the drivers parked their vehicles in a zigzag manner to obstruct vehicular traffic. Later, the Provincial Government clarified that the increased toll tax at Hub Chowki was meant for the vehicles plying on major parts of the Highway. This was not applicable to vehicles plying between Hub Chowki and Gaddani and other shorter distances. Following the clarification the drivers ended their protest and opened the road for traffic and dispersed peacefully. [Siddiq Baluch] [Text] [Karachi DAWN in English 2 July 82 p 1]

SHOORA PANEL ON CORRUPTION--ISLAMABAD, July 1--In view of the widespread corruption in society, Mr Ghulam Ishaq Khan, Federal Finance Minister, suggested today that the Majlis-i-Shoora should set up a small but dynamic committee to look into this problem and suggest ways and means to combat it. The Finance Minister helplessly admitted the existence of corruption in all segments of society. He particularly mentioned the evil of adulteration of foodstuffs by traders and named several food items including salt, tea, maida which contained harmful mixture of foreign mate iai. He also admitted largescale smuggling of so-called luxury goods, and besides blaming the Customs for its failure to check it, asserted that society, as a whole, would have to combat such widespread evil. Mr Ishaq suggested to the Majlis Chairman to consider his proposal to deal with these anti-social problems and come up with tangible recommendations to eradicate them. [Text] [Karachi DAWN in English 2 Jul 82 p 1]

SHOORA PROROGUED--ISLAMABAD, July 1--The President, Gen. Mohammed Zia-ul-Haq today prorogued the Majlis-i-Shoora sine die. [Text] [Karachi DAWN in English 2 Jul 82 p 1]

PRESS WORKERS DEMAND ALLOWANCES--RAWALPINDI, July 1--The PPL Workers, Rawalpindi Unit, at a meeting, held here on Wednesday, appealed to the Government to grant special dearness allowance to the Press workers also, at the rate of 50 per cent of the basic salary, as was announced by the Finance Minister, for the Government and semi-Government employees in his Budget speech. The meeting was held in response to a call made by Mr. Rashid Siddiqui, President, Pakistan Federal Union of Journalists, and was chaired by Mr. Gul Sher Khan.

President, PPI Workers, Rawalpindi Unit, Prominent speakers included Chaudhry Mohammad Hanif, Syed Mushtaq Hussain Shah and Mirza Mehbocb Elahi. A meeting of the APP Unit of KUJ (Rashid Siddiqi Group held on Wednesday in Karachi also endorsed the demand of PFUJ to give 50 per cent dearness allowance to the Press workers. The meeting passed a resolution unanimously urging the Government to take necessary steps in this regard. The PPL Imroze Workers' Union Multan on Wednesday also demanded dearness allowance of 50 per cent for newspaper employees in view of escalation in prices. The union in a resolution regretted that newspaper employees have not been provided any financial relief in the new Federal Budget, as allowed to the Government employees. [Text] [Karachi DAWN in English 13 Jul 82 p 13]

KASURI TO MOSCOW--LAHORE, June 24--Mian Mahmud Ali Kasuri, acting Chief of the defunct Tehrik-i-Istiqbal, is leaving for Moscow for medical treatment in the first week of July. Mian Kasuri who has been suffering from knee trouble for quite some time will stay in a Moscow hospital for about a month. In his absence Mr Munir Shah of the NWFP will act as the Tehrik chief. [Karachi DAWN in English 25 Jun 82 p 1]

ELECTION ALLOCATION CALLED 'FARCE'--MUZAFFARGARH, June 24--The chief of the defunct PML Pir Sahib Pagaro has said that the allocation for general elections in the Federal Budget was a mere "Dikhawa" (farce). Talking to the members of his party at the residence of Dr Abdul Rasheed at Kotadda after completing his NWFP tour he said elections on a non-party basis would be meaningless. However, PML would contest such elections under protest, he added he ruled out the apprehension that the Russian invasion in Afghanistan and Israeli aggression in Lebanon can disrupt the election. He said such developments did not put hurdles in the way of democracy as only elected government could meet the external threat and internal subversion. Pir Sahib said Islam allowed one man government (Shakhi Hakoomat- but the rule should be liked by every one. [Karachi DAWN in English 25 Jun 82 p 1]

SIND CROP TARGETS EXCEEDED--KARACHI, June 28--Production of all major crops in Sind during the current fiscal year has exceeded the targets fixed at the beginning of 1982-83. According to the official figures the production target fixed for wheat was 2,060 million metric tons. The initial estimate for wheat crop output indicates a total yield of 2.00 million metric tons of wheat. Similarly in case of rice the production target was fixed at 1.575 million metric tons but actual production was 1.504 million metric tons. Cotton production also showed a slight rise over the target and was finally estimated at 1.551 million bales as against target of 1.550 million bales. The most sharp and pronounced increase was seen in case of sugarcane production which was targeted at 4,950 million tons but was found to be 5,883 million tons in final estimates. [Islamabad THE MUSLIM in English 29 Jun 82 p 7]

BREAKING UP IMPORT MONOPOLY--ISLAMABAD, June 28--The government has decided to break the monopoly of existing importers of 22 consumer goods and allow new importers, under the import policy for 1982-83, announced here today. In order to do so, licencing to existing importers will be made at the same rate on which they have been licensed during 1981-82. Allocation--equivalent to 25 per cent of value licensed during the currently fiscal year--will be earmarked for new comers. Licences will the minimum value of Rs. 10,000 will be issued to new parties on pro-rata basis. However, if applications received are in excess of earmarked funds lots will be drawn for the purpose of licensing. [Karachi BUSINESS RECORDER in English 29 Jun 82 p 1]

**CAMPAIGN AGAINST BRIBERY--Editorial:** "Systematic Campaign Against Bribery"--According to news reports a federal investigating agency has started a campaign against some officials who possess assets beyond their means. Bribery, corruption and abuse of power have become so rampant in our society that even the president has repeatedly expressed concern. This malady is so widespread and its roots have become so strong that legal procedures or occasional punitive measures cannot remedy the situation. This problem can only be solved by starting an effective campaign on a broad scale with the extensive cooperation of the government and the people. The Campaign should be initiated by the government. If the martial law authorities were to form a committee having special powers and composed mainly of military officers and entrust it with the services of the investigating institutions concerned, the campaign could be operated in the following stages. At the outset, only federal officers between grades 19-22, without any distinction, would be called on to declare their assets and their sources of income. These declarations would then be publicly announced and people would be asked to furnish information. Convincing charges should be investigated by government sources. Those found to be making false statements should be severely punished. Such campaigns, carried out with the active support and cooperation of the government and the people, can be helpful in eradicating the age-old malady of bribery, corruption and misuse of power. [Text] [Karachi JANG in Urdu 27 May 82 p 3] 9315

**NASRULLAH KHAN TRANSFERRED--Multan, 16 Jun (Correspondent)--**Nawabzada Nasrullah Khan has been transferred from the Chowk Azam rest house to another rest house. It was said that when Nawabzada Nasrullah Khan would come out of the rest house for a walk in the evening people would gather around him. Because of this he had to be sent to another rest house which is 6 or 7 miles away and secluded. [Text] [Rawalpindi TAMEER in Urdu 17 Jun 82 p 4]

**NASRULLAH PERMANENT MRD CHAIRMAN--Dichkot, 23 Jun (Correspondent)--**According to MRD's (Movement for the Restoration of Democracy) intimate sources Nawabzada Nasrullah Khan will be nominated the permanent chairman of MRD in its next meeting. This is being done because now after every month the MRD has to appoint a new secretary and a new chairman. By now people from almost all the parties have been nominated to those posts and, as it stands, no one person can hold the post of the chairman for more than a certain length of time. In addition every change among officials tended to slow the work down to a degree. Until now only the defunct Tehrik Istiqlal's are not in support of nominating Nawabzada Nasrullah Khan as the permanent chairman; all the other parties are supportive of his leadership. [Text] [Karachi JANG in Urdu 24 Jun 82 p 12]

**PARALLEL GOVERNMENT THREAT--Kotli, 11 Jun (TAMEER Correspondent)--**If the demand for elections is not met by July 5 an announcement will be made to form a parallel government in Azad Kashmir after consultations with Sardar Abdul Qayyum and other leaders. This statement was made today by a leader of the 4 party alliance and Azad Kashmir's former president Sardar Ibrahim Khan in a public meeting held under the auspices of the 4 party alliance. G.M. Mir secretary general of the Plebiscite Front said that the people of Kashmir will continue their struggle until their rights are granted to them. [Text] [Rawalpindi TAMEER in Urdu 12 Jun 82 p 4]

PAPUA NEW GUINEA

SOMARE SEEKS INDEPENDENT MPS' SUPPORT

BK051037 Hong Kong AFP in English 0918 GMT 5 Jul 82

[Text] Port Moresby, 5 Jul (AFP)--Former Papua New Guinean Prime Minister Michael Somare, who is virtually certain to return to power following his Pangu Party's victory in the June 28 general elections, is apparently planning to govern with the support of independent MPS.

Mr Somare, whose party won twice as many parliamentary seats as any other political grouping, said at the weekend he had the support of at least 60 of the 108 members of the new parliament.

He published the names of the 60 following a meeting of his Pangu Party at Goroka, where no effort was spared to lure previously independent candidates. Helicopters were even sent to the home villages of the independents to fetch them.

Meanwhile former defence force commander Brigadier General Ted Diro, an independent candidate from Papua, has suffered a backlash since accepting the leadership of the highlands-based National Party last week following the defeat of the party's leader and outgoing deputy prime minister Iambakey Okuk.

The backlash came mainly from his own Papuan constituents, suspicious of a highlands-based party.

Mr Diro claimed that the newly-elected parliamentary members were "virtually imprisoned" at the Pangu Party meeting at Goroka. He said people were referring to the Hotel Venue as the "Haus Kalabus" or prison.

Analysts here said talks had been progressing between Pangu and the Melanesian Alliance grouping, until former judge Bernard Narakbee Narakobi, who fought Mr Somare in his own east Sepik constituency, released a press statement fiercely condemning Pangu for unscrupulousness.

Soon after the elections late last month, Mr Somare, who had led Papua New Guinea [PNC] to independence in 1975, indicated he would either govern in coalition with independent MPS or would invite another party to join in a coalition government. He now appears to have opted for the first option.

Although it remains virtually certain that Mr Somare will regain the premiership after two years in the wilderness, the size of his bloc will not become clear until the election of a new prime minister at the first sitting of parliament on August 3. He is expected to take over from outgoing Prime Minister Sir Julius Chan.

Before then, there are expected to be numerous legal challenges of disputed election returns. After the last election in 1977, there were nine challenges, leading to five by-elections.

This year, as many as 30 challenges are anticipated following widespread claims of misconduct by electoral officers.

CSO: 4220/229

PAPUA NEW GUINEA

BRIEFS

TRIBAL WARFARE RAGES IN PAPUA NEW GUINEA--Mount Hagen, Papua New Guinea, Friday. Tribal battles involving thousands of warriors armed with spears, axes and bows and arrows have broken out in Papua New Guinea's highlands in the wake of the country's general election, police sources said today. They said six separate battles had been confirmed in Enga province northwest of Mount Hagen since yesterday. Two of them involved disputes over pigs and land, two traditional causes of tribal fighting. But the others were believed to be based on rivalry between warrior clans who supported different candidates in the election, the sources said. Papua New Guinea voted last month in its second election since independence from Australia in 1975. No party won a majority in the 109-seat parliament and politicians are still haggling over the formation of a coalition. (Reuter) [Text] [Columbo DAILY NEWS in English 3 Jul 82 p 12]

CSO: 4220/236

MINDANAO REBELS HOLD UP ROAD PROJECT

HK070309 Davao PEOPLE'S FORUM in English 27-28 Jun 82 pp 1, 10

[Report: "Rebels Delay SPDA 2.6 Million Peso Project"]

[Text] The P2.6 million appropriated for the construction of an access road to the Kapatiran project of the SPDA in Lanao Del Sur is still intact but the presence of commander Narra in the area is delaying the road project implementation. This was the reply of SPDA deputy administrator Blo Umpar Adiong to charges made by IBP assemblyman Adhel S. T. Pangandaman that SPDA has not prosecuted the road project while insinuating that funds for it have already been consumed.

Project Kapatiran is the development of some 25,000 hectares of agricultural land for displaced farmers in the area. It is situated between Wao and Malonso. The project site is still a dense woodland and surrounded by an area under temporary timber license grant to loggers.

Attorney Adiong said that the road being constructed is to shorten the route from both points of entry to the area by more than 50 percent of the distance of the present route. The road being constructed will traverse through a jungle where Commander Narra and about 5,000 of his followers are being quartered. Two battalions of the AFP Engineering Brigade are presently undertaking the project starting from opposite points at Bumbaran and Malonso, Adiong said.

When the road is completed it will also open the development of a plateau with an area of about 5,000 hectares for agricultural purposes, Adiong bared.

Both the 512nd and 544th Engineering Battalions are doing their fine jobs in the area and assemblyman Pangandaman can help a lot if he is only sincere, Adiong said.

The SPDA deputy administrator was obviously referring to rumors that Commander Narra is related to assemblyman Adhel S. T. Pangandaman in a close degree.

SPDA deputy administrator Blo Umpar Adiong is concurrently the manager of the SPDA Kapatiran project in Lanao Del Sur.

CSO: 4220/229

PHILIPPINES

EDITORIAL EXAMINES REBEL PRIEST PROBLEM

Manila BULLETIN TODAY in English 11 Jul 82 p 6

[Text] The first thing that comes to mind, as one reads the report that seven priests in Northern Samar have joined the dissidents, is the suggestion that the priests should be asked their side of the story.

Usually the members of the clergy are well-educated and broadminded. But there are cases where having stayed in remote areas for quite some time they are deeply influenced by their immediate environment and lose sight of the broader picture.

Undoubtedly if priests join the dissidents they have strong personal reasons. What are those reasons?

It is submitted that no reason can be so powerful as to foreclose dialogue among Filipinos.

To be sure the government has weaknesses. In the remote areas some government authorities can be abusive or absolutely negligent. On the other hand it cannot be denied that once those weaknesses are made known to higher authorities no time is lost in applying the necessary remedies. For those authorities know that failure to act represents a diminution of their power, and they do not wish to lose popularity.

It is obvious that some effort should be made either by friends or by the government to reach the priests in order that their grievances can be heard and differences are settled amicably.

It will be for the good of all if that is done on time.

CSO: 4220/234

PHILIPPINES

CPP LEADER IN VISAYAS CAPTURED

Manila PHILIPPINES DAILY EXPRESS in English 10 Jul 82 p 2

[Text] The head of the educational department of the Communist Party of the Philippines, Cebu District II, was captured July 7 by PC commando teams in a clash with armed dissidents at barangay Tula-Tula, Sipocot, Camarines Sur. Seven other dissidents were killed in the firefight, reports to the defense ministry in Camp Aguinaldo said yesterday. Their identities have not yet been established.

Captured was Edgardo Caballero alias Ka Roy, chairman of the Committee sa Edukasyon ng Partidong Masa, Cebu District II which the military said, is an educational propaganda outfit of the CPP in Central Philippines.

Defense ministry officials said Caballero was hiding in the Bicol region after a renewed drive launched by the military against subversives in the Visayas.

His group was reportedly led by a certain Commander Ka Leo who operates in Camarines Sur and in the Quezon-Bicol zone.

At 9 a. m. Wednesday, two commando teams of the 601st PC Company, 60th PC battalion, engaged the group in a firefight that led to the killing of seven dissidents and the capture of Caballero.

A member of the Civilian Home Defense Force was hacked and wounded during the skirmish at barangay Tula-Tula.

Recovered from the scene of the encounter were a .22 caliber long rifle, a .22 caliber German Lugger, one homemade shotgun, several dismantled parts of .38 and .22 caliber revolvers, live bullets for assorted firearms, three gungle bolos, assorted clothings, a small blackboard and subversive documents.

On July 4, the same PC teams killed three suspected terrorists in an encounter at barangay Saransanan, also in Sipocot, Camarines Sur.

A house in Nueva Vizcaya raided by government agents where top communist leaders were meeting last July 6 was the nerve center and command post of the anti-government movement for call of Northern Luzon.

Investigation, uncovered yesterday the magnitude of the rebel operation in the region after decoding documents seized in the raid.

The documents also revealed names of prominent persons--both in the government and private sector--marked for liquidation and also listed sabotage assignments.

Also seized from the lair were assorted guns, ammunition for armalite rifles, medical supplies, and propaganda materials.

An analysis of confiscated documents showed that medical prescription pads were used by rebels to pass on information to other rebel command posts.

One of the 12 captured in the raid conducted simultaneously by three PC teams was Dr. Aurora Parong alias Ka Au-Au/Cora whose medical clinic, in Bayombong, the raiders said, also doubled as circulation distribution point for subversive publications.

Other rebel leaders captured were identified as Sabino Q. Padilla alias Ka Ching; Francis Divinagracia y Javier alias Ka Romy; Norberto Portuguese alias Ka Tonying; Remegilda Reyes alias Ka Linda or Remy; Benjamin Pineda y Sahagaw, Mariano Soriano y Quelnermo, Letty Ballogang, Tito Tangiling, Euornio Ortiz Jr., Juanito Granda, Imelda delos Santos, and Bienvenida Garcia alias Ka Nida.

CSO: 4220/237

HIGHER SUGAR OUTPUT SOUGHT

Manila BULLETIN TODAY in English 12 Jul 82 pp 1, 18

[Text]

President Marcos prodded the sugar industry last night to increase production and raise its export income to meet the country's needs.

In a speech during the fifth anniversary celebration of the Philippine Sugar Commission, the President said: "It is of importance for the industry to exert every effort to raise the level of production to enable us to maximize our export income from sugar in order to meet our needs."

During the Philsucom program at the Philippine International Convention Center, the President said he is aware of the commission's programs to raise productivity by using the right fertilizers and adopting appropriate farming techniques.

But, he pointed out, "in the ultimate analysis, it is the right effort and personal attention to details that the individual planter gives to his farm that will in the end determine the outcome of his operation."

The President called on the sugar planters to take advantage of the fairly

remunerative price of sugar in the next two years.

This can be achieved, he said, by increasing production which has dropped from three to 2.35 million tons due to the low world price of sugar.

He explained that the country now enjoys export prices averaging more than double world prices as a result of long-term sales contracts signed by the commission. This will continue up to 1984, he said.

The President said that because of the sales contracts, the higher prices and larger volume of exports in 1980, sugar export earnings in 1980 and 1981 amounted to twice or thrice the earnings of the preceding two years.

"We can look forward to growth within the industry and the country well beyond the next two years because of the work being done by agencies like the commission and the undiminished resiliency and vigor of the national economy in times of stress," the President said.

"However," he added, "if the future of the industry is to be truly bright, there is great need for continued dedication from the men guiding the Philippine Sugar Commission, fresh productive efforts by members of the industry, and continued leadership and support from those in government."

The President gave assurances that his office will always strive to strengthen the position of the national sugar industry and to insure the support of the government.

The Chief Executive reviewed the work of the commission since its founding five years ago and congratulated Chairman Roberto Benedicto and the other officers and members of the commission for their service to the industry and country.

He said that although the commission is relatively new, "it is already quite long in achievement and its service has

proven to be indispensable to the health of one of our country's most important industries."

CSO: 4220/234

PHILIPPINES

MUSLIM LEADERS ASK FOR MORE ACTIVE ROLE

Manila BULLETIN TODAY in English 10 Jul 82 p 9

[Article by Nelly Sindayen]

**[Text]** Muslim ulamas or religious leaders from Mindanao want more active participation in government, instead of the usual low-key role.

The ulama group, from Mindanao's Region 9, urged President Marcos to appoint a Muslim religious leader to either the executive committee or the legislative assembly of the autonomous government.

"The time is right for us to be involved in government," said the ulamas' petition which named Ustadz Sam-suddin Yacob as their candidate for the post.

The petition was signed by Ustadz Abdulgani Yusup of Zamboanga del Sur, Ustadz Ibrahim Ghazali of Sulu, Ustadz Yahcob Iami of Tawi-Tawi and Palawan, Ustadz Abdulcuddus Hussein of Basilan and Sharif Mukain Julabbi of Zamboanga del Norte

The petitioning religious leaders all belong to the Ulama Council of the Philippines which is headed by Sheik Ahmad Basher and co-chaired by Amin Al Ampaso.

The ulamas also stated that we could be of help in our government effort toward peace and stability, since Islam has been and will always be a unifying factor among our people."

When asked to comment, Ustadz Abdulgani Yusop said there is a need to involve the Muslim religious leaders in the government's quest for peace in the war-torn south.

The Mindanao conflict, now on its tenth year, has registered a death toll of 60,000, apart from displacing several millions.

## KKK TO BALANCE REGIONAL DEVELOPMENT

Manila BULLETIN TODAY in English 12 Jul 82 p 24

[Text] The Kilusang Kabuhayan at Kaunlaran (KKK) or national livelihood program, drummed up as the centerpiece strategy of the New Republic, may yet offset the imbalance in development among the country's 13 regions.

Research data released by the Private Development Corp. of the Philippines (PDCP) showed that the KKK has proved a viable instrument in shifting capital and technology from Metro Manila to the other regions in the country-side.

As of April 2 this year, the rural regions had been a recipient of P78.8 million in KKK disbursements while the country's premier metropolis has none as yet.

The disparity was seen as part of the government's overall policies to disperse industries to other regions and to decongest Metro Manila of heavy concentration of investments.

CSO: 4220/234

Even in the total KKK loan applications approved, the 12 other regions of the country accounted for P469.5 million compared to a measly P1.8 million for Metro Manila.

In the number of KKK projects, which got the nod of the Ministry of Human Settlements, the rural regions had an average of 19 as against 10 of Metro Manila, the country's seat of power.

Another indicator of the KKK's rural orientation is in the number of beneficiaries.

PDCP figures, culled from reports of the human settlements ministry, showed that the KKK-approved projects in Metro Manila intend to benefit only 1,800 people while each of the 12 other regions had an average of 13,216 beneficiaries.

"The Metro Manila figures appear to indicate strong private investment financing within the area such that entrepreneurs have no need to resort to KKK fund sources," PDCP noted.

However, it said, there had been an increasing number of small ventures in the national capital region taking advantage of the KKK's technical and marketing service.

By project prototype, the bulk of KKK assistance falls under the agro-livestock and aquamarine ventures.

The agro-livestock prototype, which covers food crops, cattle, swine, goats and poultry, has been extended P305.2 million in loans or 65 per cent of the total amount of P469.5 million approved.

PDCP said "the launching of the KKK reveals that the country's dependence upon primary economic activities, especially agricultural and aquamarine production,

presents tremendous opportunity for development.

It added: "Through the KKK, these enormous

agricultural and agricultural resources could be fully utilized, to increase investments, employment and overall production for the country."

But the KKK is only one of the mechanisms set in motion by the government in bridging the yawning economic gap between Metro Manila and the other regions of the country.

## PHILIPPINES

### COMMENTATOR QUESTIONS NATIONAL LIVELIHOOD PROGRAM

HKD70313 Davao PEOPLE'S FORUM in English 24-26 Jun 82 p 5

[ "Feedback" weekly syndicated column by Bubby P. Dacer: "Make KKK Fool-Proof and Politics-Free" ]

[Text] As historians themselves observe, history has a way of repeating itself and, in the process, afford men and nations lasting lessons on results of endeavors and consequences of events so indispensable in charting the national course.

When Franklin D. Roosevelt took over the American presidency in 1933, an alarming number of Americans were jobless and, consequently, were starving, suffering from malnutrition and in despair. Banks had closed and the breadlines were getting longer. The homeless had to content themselves with Hooversville shanties (named as obviously in derision to Roosevelt's predecessor, Herbert Hoover, who got the blame for the great depression).

To enable the prostrate nation to stand on its feet anew, the New Deal administration launched, among other things, the Civil Works Administration (CWA). In two months, the CWA had given jobs to four million--the target--out of a \$440 million appropriation. The work? Refurbishing roads, bridges, schools and other public buildings, digging canals, and the like. The CWA even paid researchers to study the history of the safety pin and hired 100 Washington workers to patrol the streets with balloons to frighten starlings away from public buildings.'

In the Philippines, some 30 years later, newly-installed President Diosdado Macapagal also created the Emergency Employment Administration (EEA) ostensibly to redeem a campaign pledge to give jobs to the jobless and in general, to enable the nation to march forward. Congress immediately appropriated P100 million for the EEA. There was no doubt that the EEA was for a noble purpose. But, alas, politicians just transformed it into one huge pork barrel which, in the old pre-1981 days, was utilized for vote-baiting purposes.

To make matters worse, the purchased equipment for road building and canal digging, the hiring of workers on the basis of partisan affiliation, payroll padding and similar shenanigans created scandals that rocked the nation. Today, or two decades later, there is no trace whatsoever of any productive EEA legacy to this generation.

Comparison, it has been noted, is odious, and the Kilusang Kabuhayan at Kaunlaran (KKK), which emerged at another time and clime, should not be paralleled to the CWA of the 30's and the EEA of the 60's. Besides, it is clear that the KKK is not merely a temporary measure for a palliative whose effects wear off shortly after the initial application.

To be sure, the KKK is meant for all time. According to its principal architect, President Marcos, the KKK will serve as the basis of the emerging Filipino ideology. It will train Filipinos to be self-reliant, and will even guide them to maintain their own ways, languages, thinkings and system of government. No wonder some P5 billion has been initially appropriated to pave the ground for the KKK's take-off, with no less than the first lady, Imelda Romualdez Marcos, as the nationwide project's secretary-general.

Reams upon reams of brochures had been distributed, different series of seminars and workshops had been held and a massive and sustained publicity had been given--all about the KKK. And the gist of these to-do's is that it is a continuing movement and, therefore, meant to benefit all Filipinos irrespective of social rank, political and religious creed.

Will the coordinators and implementors from the national, regional, provincial, municipal and barangay levels keep faith with the spirit and intent of the KKK? Already, rumblings emanating from sensitive sectors are to the effect that the KKK has taken a partisan turn, that only known KBL areas and personalities are given preference, that only known party protegees are appointed to pivotal or key positions to the prejudice of the competent, the diligent, the honest, and the dedicated whose only fault, if fault it is, is that they are on the other side of the political fence, and that the KKK is being utilized for the development of a personality cult.

When there's smoke, there's fire. The national leadership should lose no time in looking into these complaints and make the KKK fool-proof and politics-free as much as possible if it expects to keep its rendezvous with destiny.

CSO: 4220/229

PHILIPPINES

COMMENTATOR ON 'PNA' CONTROVERSIES

HK070305 Davao PEOPLE'S FORUM in English 27-28 Jun 82 p 3

[ "Window Shopping" by Aurelio A. Pena: "There's a Move To Reorganize the PNA (?)"]

[Text] Demobilization has crept into the ranks of the Philippines News Agency organization at its main offices at Solana Street, Intramuros, Manila.

It seems the impending re-organization of the PNA has not pushed through because they still could not make up their minds who should really run the show at the country's premier news agency which feeds wire stories to the nation's biggest newspapers.

The plan was to make PNA an 'independent' government corporation to be run by professionals who really know the business of news production. Although the proposals and the budget are now in the hands of Information Minister Gregorio Cendana, some people in the bureau of National and Foreign Information Department are blocking the moves to make PNA independent from the ministry.

There are some suspicions now that Malacanang may have a hand directly in blocking the move to separate PNA from the Ministry of Information.

In the midst of this controversy are people like Jose Macaspac, Jr., acting director of the BNFI who takes care of administration and finance for the entire PNA news gathering operations, Vicente Maliwanag, general manager for PNA operations (who is rumored to be close to Cendana) and Alberto Corvera, managing editor of PNA (who is said to be on-loan from the Philippines DAILY EXPRESS on a contractual basis).

Sources from Manila are saying that all these three PNA officials cannot see each other eye to eye, not necessarily because they dislike each other but because each seems to have a good leverage against each other, as far as getting the 'top post' in the PNA hierarchy is concerned, that is, if the plan to incorporate the PNA is pushed through.

The PNA has managed to get the very best writers in the news business, but they could not pin them down on measly government salaries. Consequently, newsmen (or news executives) like Vicente Liwanag and Alberto Corvera are all holding on to their posts on 'contractual basis' which, we were informed, are renewable every year. Since they are on contract, they naturally have fat fees (or fat salaries, if you may) but they perform more like "news consultants" than employee-executives of PNA.

No matter how much Bert Corvera wanted to run the PNA on a very professional level, he is not getting the necessary support from the acting director of the BNFI who approves every purchases, salaries, reporters allowances, stringers fees and equipment.

Macaspac actually took over as 'editor' sometime in 1980 and ran the PNA, giving himself a better edge over the two 'contractual' news executives. Basically a government official, Macwaac, it seems, might just be considered by Cendana, with proddings from Malacanang, to take over the 'incorporated' PNA.

But PNA staffers, from technical to reporter level, are very frustrated the way their needs are being neglected by Macaspac and they could not pin the blame on either Maliwanag or Corvera because there's really nothing they could do.

Well-known writers like Romeo Espina, bureau chief of Bacolod, abandoned their news desks in Manila and returned home to their families.

As PNA stringers, now we know why the Manila office could not spell out their paying policies for special news coverages and news photographs--or if they have, they just refuse to reveal them to us.

Those editors in Manila, we feel, are honestly helpless about their own situations there. Malacanang wants to use the PNA as its mouthpiece, so there's nothing they could do.

When I mentioned to Corvera about the impending plan to pull PNA out of the ministry, he just shook his head like 'it can't be done.'

It's understandable now the frustration felt by news stringers of bureaus all over the country, but if they know the overall picture of what's happening, it will be easier to understand.

CSD: 4220/229

IMPROVED BANK SECURITY MEASURES ADOPTED

Manila BULLETIN TODAY in English 10 Jul 82 p 32

[Text] Lt. Gen. Fidel V. Ramos, Constabulary chief and director general of the integrated national police, prescribed yesterday measures designed to improve bank security and stop bank robberies.

Col. Luis San Andres, PC public information officer, said Ramos, who is also Armed Forces vice chief of staff, came up with the measures after a series of meetings with bank officials and managers of security agencies.

The meetings San Andres explained, were held because of increasing boldness of criminals to hold up banks even in broad daylight.

The most recent of such bank robbery was the robbery-holdup of the Family Savings Bank branch on Vito Cruz, Malate last June 9 where the security guard was taken by surprise, and disarmed by the robbers.

Similar disarming incidents occurred in the robberies committed in Cubao and Tomas Morato branches in Quezon city of the Bank of the Philippine Islands, the bank at the Broadway Centrum and the Philbank, the PC said.

Ramos, in coordination with banks management and security agencies, ordered special training courses on bank security survey, counter-surveillance, planning and prevention of and reaction to bank robberies, bomb threats and hostage situations.

This training, he said, should be conducted at regional and provincial levels for key and selected personnel performing security duties with the bank.

Ramos also directed that PC/INP personnel of line units be trained on proper police response and countermeasures to bank robbery, hostage-taking and allied crimes.

The PC/INP chief directed that plans be developed by each bank against contingent threats to bank security such as bank robberies, bomb threats and hostage situations with the assistance of PC/INP authorities in the area.

Once developed and approved by the bank managements, Ramos said rehearsals shall be conducted regularly by the bank authorities with PC/INP officers as observers to orient bank security guards and personnel in its execution.

Ramos also disclosed that a coordination network with PC/INP authorities shall be established with the banks, particularly in places where many of them are located in a contiguous or compact area.

MAJOR INDUSTRIAL PROJECTS REVIEWED

Manila BULLETIN TODAY in English 10 Jul 82 p 20

[Text] Four of the 11 industrial projects being undertaken by the government are currently under review and a decision to go ahead on these projects will depend on the review's findings on viability.

The four are the aluminum smelter project, the alcogas program, the petrochemical complex and the higher category diesel engine manufacturing program which was supposed to be implemented with the manufacture of the lower category diesel engine project of Isuzu Motors of Japan.

All the rest are now under construction and implemented.

This was based on a situationer report on the status of the projects prepared by the Ministry of Trade and Industry.

The aluminum project's economic viability is being reviewed in view of the refusal by the National Power Corporation to grant a special low price for its power requirements. The proponent--Reynolds Aluminum--was also proposing to put up a scaled-down project with half the capacity of its original proposal.

On the other hand, the alcogas program, which had intended a number of alcohol distilleries to produce 234 million liters of alcohol a year for mixture with gasoline, is being reevaluated for its timing.

With the softening of crude prices and the emergence of oil glut, the necessity for putting up with the project is now doubtful.

The establishment of two downstream petrochemical plants and an upstream naphtha cracker plant which would form the initial core of the petrochemical complex in the Philippines is likewise under review because of the uncertain market for its products and the lack of a strong foreign partner that could guarantee long-term supplies of raw materials.

In the case of the high horsepower diesel project, the industry said that market projections for its products may have something to do with the on-going review.

Seven of the projects are proceeding on schedule.

The copper smelter will be operational in mid-1983. Now under construction in Isabel, Leyte, the project will produce 138,000 metric tons per year of copper cathodes and 442,000 metric tons per year of sulfuric acid.

Costing \$848 million, the phosphatic fertilizer plant is also under construction in the same locality as the copper smelter. It will be operational middle of 1984.

The integrated steel mill in Iligan city is being implemented in two stages. The first one, for a capacity of 1.2 million metric tons per year of slabs and 300,000 metric tons per year of blooms, will be operational between 1984-1985. This will later on be expanded to include rolling facilities with a capacity of 2.0 million metric tons slabs. Cost of the first phase is \$765 million.

The heavy engineering industries will be put up in Bataan and scheduled to be in operation middle of next year.

CSO: 4220/234

PRESIDENT PETITIONED FOR RADIOMEN'S RELEASE

Manila BULLETIN TODAY in English 11 Jul 82 p 22

[Text] Lawyer Rey L. Bagatsing, a radio commentator and president of the newly-formed Association of Radio Commentators of the Philippines, for the national capital region, appealed to President Marcos for the immediate release from military custody of Pabling Mangulabnan, the editor-publisher of Cotabato Recorder and president of the Mindanao Press club.

BAGATSING expressed shock over the complaint filed by the CIS against Pabling Mangulabnan for the latter's alleged involvement in the kidnapping of Deborah Simon last March.

Bagatsing added that Pabling Mangulabnan, instead of being detained on the basis of a presidential commitment order issued by President Marcos last June 29, should be commended for providing

a lead that led to the solution of the Deborah Simon kidnapping. Information obtained from reliable sources in Cotabato city revealed that it was Mangulabnan who convinced the suspected kidnappers led by a certain Commander Arand to surrender to the military authorities and to return Deborah to her parents.

Bagatsing expressed optimism that the criminal case filed against Pabling Mangulabnan with the provincial fiscal of Cotabato city will be dismissed for insufficiency of evidence.

Bagatsing added that in the meantime, Mangulabnan should be released from military custody to enable him to prepare for his defense consistent with his right to presumption of innocence and to post bail in any event that a case of kidnapping shall be filed against him in court.

CSO: 4220/234

PHILIPPINES

BRIEFS

SAMAR PRIEST PROBE--Defense Minister Juan Ponce Enrile wants a probe of religious elements reported to be aiding or working with rebels in Samar. He directed military authorities today to conduct an investigation of the reported activities of religious radicals who are actively working with dissidents in Samar. Enrile issued the directive in a memorandum to armed forces chief of staff General Fabian Ver in the wake of the reported admission of northern Samar Bishop (Daniel Jubayan) during an interview with an Australian journalist that of the 27 priests in his diocese, he had lost 8, apparently to the dissident camp. Enrile directed the military to investigate the revelations of Bishop (Jubayan) concerning the eight radical priests on the agenda who were reported [words indistinct] among radical priests, a copy of which (Jubayan) reportedly furnished the Australian journalist. Enrile called for an enquiry into Bishop (Jubayan's) statement to the Australian journalist which, according to the defense chief, implied direct knowledge of the activities of religious radicals in his diocese. The defense chief has furnished Jaime Cardinal Sin, (Jolo) Cardinal (Rozales) and the Papal Nuncio with copies of his memorandum to General Ver and related documents on the revelations made by (Jubayan) during the interview. The revelations were contained in an article bylined by Peter Hastings in the June 29 issue of the SYDNEY MORNING HERALD, and the headline on the front page described "Guerrillas Plot Violent Revolution," about the new theology in the Philippines which proclaims that salvation lies in revolution [sentence as heard]. The new theology, according to the article, advocates the Marxist line of violence and the seizure of state power. [Text] [HK100101 Manila Domestic Service in English 2300 GMT 9 Jul 82]

SAMAR MASSACRE--Defense Minister Juan Ponce Enrile denied today reports of the massacre of over 200 civilians in a barangay in northern Samar in April. The defense minister said the reports were pure fabrication and formed part of the pattern of deception waged by the propaganda arm of the New People's Army. The reported massacre was supposed to have happened in barangay (Ziro). Enrile said armed forces chief of staff General Fabian Ver had earlier issued the denial that such a massacre had happened. At the same time the ministry has conducted an extensive investigation on the report, and found it to be false. [Text] [HK100825 Manila Domestic Service in English 0800 GMT 10 Jul 82]

GOVERNMENT DEVELOPMENT PLANS--Prime Minister Cesar Virata announced recently that the government is at work on a concept of physical planning in its overall development strategy. Virata told members of the Philippine Association of Management Accountants at a meeting last Thursday that physical planning includes an accounting of land resources that will go hand in hand with population growth. We can no longer say that we will have more agricultural land, because the people are biting into forest land and creating new land for agricultural land, Virata said [sentence as heard]. He also expressed alarm over the increasing rate of population, which he said would be among the primary targets in its medium-term development plans. He said a population of about 115 million would be a viable number for government to support in the year 2050. [Text] [HK100143 Manila Far East Broadcasting Company in English 2330 GMT 9 Jul 82]

ANTICOMMUNIST DRIVE--In Cagayan, the military has uncovered a circulation and distribution point of the communist propaganda machinery in the Cagayan Valley region. This was disclosed by reports reaching the Defense Ministry today. The propaganda center was the clinic of a woman physician. Her name is Doctor (Aurora Paron), alias (Alaw) or (Cora). The clinic is in Bayombong, Nueva Viscaya, according to a report from Brigadier-General Vicente Custodio, Philippine constabulary region 2 commander. Doctor (Paron) was arrested on July 6, along with eight other top Communist Party of the Philippines personalities. After the arrests, military elements found in Doctor (Paron's) clinic 15 individually-packed syringes, needles, prescription packs, and documents. The documents showed that her clinic served as a communications post and supply point for the communist party's northern Luzon Revolution Committee. In another setback for the dissidents, the head of the educational department of the Communist Party of the Philippines, or CPP, in Cebu was captured last Wednesday. The capture occurred in a clash with armed dissidents at barangay (Tula Tula) in Sipocot, Camarines Sur, the Defense Ministry reported today. Seven unidentified dissidents were killed in that clash. Captured was (Eduardo Cabaliero), alias (Caroy), chairman of the Committee on Educating Partido Marxas, or EPM, Cebu District 2. This is an educational propaganda outfit of the Communist Party of the Philippines, operating in the central Philippines. [Text] [HK100125 Manila Far East Broadcasting Company in English 2330 GMT 9 Jul 82]

MNLF MEMBERS KILLED--Ten more members of the Moro National Liberation Front have been killed in two separate encounters in Palawan and Lanao Del Sur. Reports reaching Camp Aguinaldo said 8 of the terrorists were killed by marine troopers in a 3-hour gun battle near Puerto Princesa, Palawan. In Lumbayanague, Lanao Del Sur, government troopers also clashed with a group of rebels, resulting in the death of two MNLF members. Two civilians were also killed in the crossfire. [Text] [HK090053 Manila Far East Broadcasting Company in English 2330 GMT 8 Jul 82]

SQUATTER SHANTIES TO GO--Armed Force Chief of Staff General Fabian Ver has ordered the demolition of all squatter shanties inside military reservations throughout the country. Demolition teams were ordered formed to enforce the chief of staff's order on Thursday, that's tomorrow. The squatters will be relocated to areas reserved for them by the government. First to be demolished are squatter shanties found near Clark Air Base in Pampanga and Tarlac, Subic Naval Base in Zambales, and those near Cap John Hay in Baguio City. It was not immediately known how many squatter families are at military reservations. [Text] [HK070057 Manila Far East Broadcasting Company in English 2330 GMT 6 Jul 82]

EXPLOSIVES PLANT--Manila, June 18--A 125 million dollar explosives plant, a joint venture between the Swedish Mitro Nobel Company and Filipino businessmen, will start commercial operations next year, board of investments (BOI) sources said yesterday, reports AFP. The project will be located in the central Philippine island of Negros Oriental and will produce ammonium nitrate explosives for the mining and construction industries at the rate of 40,000 tons a year. The Swedish company owns 40 per cent of the venture and is Mitro Nobel's first venture in Southeast Asia and the largest Swedish investment in the Philippines. Philippine BOI official hope the plant will fill the country's domestic explosives demand of 30,000 tons a year and save the country at least 15 million dollars a year in foreign exchange. [Text] [Kahtmandu THE RISING NEPAL in English 19 June 82 p 5]

PUBLISHER'S RELEASE SOUGHT--The Association of Radio Commentators of the Philippines, Metro Manila chapter, has appealed to President Marcos to order the immediate release from military custody of Pabling Mangulabnan, editor-publisher of the defunct Cotabato Recorder and president of the Federation of Mindanao Press Clubs. Appealing through lawyer Rey L. Bagatsing, radio commentator and NCR chapter president, the association said the release of Mangulabnan consistent with his constitutional right to be presumed innocent, will enable him (Mangulabnan) to prepare for his defense in the criminal case allegedly pending before the Cotabato city fiscal's office. Mangulabnan, editor-publisher of Cotabato Recorder that won a journalism award in 1965 as "best edited provincial newspaper" from the National Press Club and ESSO Philippines, is reportedly being detained in connection with the alleged kidnapping of Deborah Simon last March. Bagatsing said he is scheduled to fly to Cotabato on Wednesday with Ben Llaneza and Raul Gonzales of the Integrated Bar of the Philippines to look into report that it was Mangulabnan who provided the lead that led to the solution of the kidnaping and that it was Mangulabnan who convinced the suspected kidnappers led by a certain "Commander Arsal" to surrender and return Simon to her parents. (E.I.) [Text] [Manila BULLETIN TODAY in English 11 Jul 82 p 36]

SQUATTER RESETTLEMENT RECORD CITED--More than 95 per cent of former Metro Manila squatters have resettled for good and now lead a new, more productive life in the National Housing Authority's three relocation projects. The NHA said this in refuting reports that 90 per cent of the original beneficiaries of the NHA's resettlement program "may be in Metro Manila again, squatting." The statement said only 3.98 per cent of the squatters abandoned the sites granted them at Dasmarinas, about 4 per cent in Carmona, and less than 6 per cent in Sapang Palay. The NHA emphasized that the resettlement program was so successful that there exists a tremendous demand from groups of Metro Manila squatters and elsewhere to be moved to NHA's resettlement projects which have grown into well developed human settlements. [Text] [Manila BULLETIN TODAY in English 10 Jul 82 p 1, 11]

CSO: 4220/234

EDITORIAL APPLAUDS RECOGNITION OF JVP

Colombo THE ISLAND in English 3 Jul 82 p 6

[Text]

OVERSHADOWED by the exultant headlines about the heroics of the Sri Lankan hijacker in Bangkok was a small item of news in Thursday's newspapers which is sure to spell much more for Sri Lanka in the years to come than the passing heroics of Sepala Ekanayake. The Janatha Vimukthi Peramuna had received recognition as a political party from the Commissioner of Elections along with two other parties, the political wing of the Democratic Workers' Congress and the Nawa Samasamaja Party.

This decision of the Elections Commissioner signals the total integration of the JVP into the parliamentary-political process of our times. It is perhaps unique in the annals of Political history in any country that a party which took up arms against the state barely 11 years ago should be ready to contest the next General Election as a recognised political party. Thus are the rebels of yesteryear transmogrified into the respectable constitutional politicians of today.

The pet theory of the political commentator and the Sri Lanka watcher, the sociologist and the student of politics was that Sri Lanka in the post-independence era had been insulated from revolution and upheaval by the ramparts of welfarism which a far-sighted state had build.

Free education and free medicine, the subsidies and free rice were the collective bulwark holding back the tide of mass discontent and diverting the attention of the people from their immediate problems, the Marxist theoreticians argued. In fact it was no less a person than Dr. Colvin R. de Silva who looking back on fifty years in politics, told a felicitation meeting called by his admirers recently that Welfarism had effectively stymied the Revolution in the country.

It was only the JVP which dared to defy not only the state but also these cosy theories of the political pundits. The irony was that the JVP itself was the product of the Welfare

State. It was drawn from the rural and urban lower middle classes who had been spawned by the free education system but by the time they entered society they discovered to their bitter disenchantment that the white collar dreams that the educational system had instilled into them had withered and died. There were no jobs and since white collar employment had become the main method of mobility in post-independence society the youth felt that society had cheated them.

So the sons and daughters of the Welfare State rose against their creator. Social envy, frustration, disillusionment against the Marxist establishment, socialist demagogic, unbridled populism and idealism of the first order were mixed together in the heady brew which was the April Insurrection.

But now 11 years later the JVP has come a long way. The party has openly accepted parliamentary politics and the only legitimate method of capturing power and as if to offer tangible proof of his conversion to political legitimacy Comrade Rohana Wijeweera has begun travelling in a 12 Sri limousine, one of the perennial totem poles of urban elitism. Now recognition by the Elections Commissioner has completed the process of acceptance into the mainstream of politics.

In retrospect then Dr. Colvin R. de Silva's theory does not appear far wrong. The Welfare State works in mysterious ways its wonders to perform. Once upon a time it was on the young Turks, of the LSSP that the Welfare State cast its spell. Disgusted by what they perceived to be the betrayals of the traditional left the new left rose in revolt against the old gurus. But now the hot heads have been cooled, the rebels tamed.

So the wheel comes full circle and the JVP will take its place among the other parties as legitimate contenders for the vote at the next General Election.

The entry of three new political parties is bound to expand the scope of the choice available to the electorate and from the point of view of democracy this is a healthy feature. It is now up to the new political parties to re-examine their politics in keeping with this newly-gained stature and conduct themselves accordingly. The people of Sri Lanka have opted for a democratic way of life and an open society and a multi-party system and a wide political choice are hallmarks of this way of life. It is upto all political parties to preserve and advance this social order even as they take their place in the political process as legitimate and accepted partners.

CSO: 4220/235

REWARD OFFERED FOR COP KILLERS

Colombo THE ISLAND in English 4 Jul 82 p 1

[Article by D. B. S. Jayaraj]

[Text] A massive man hunt for the killers of the four police constables shot dead on Friday night was on yesterday. Nelliadi, the area where the shooting took place has been cordoned off to facilitate the combined Army-Police dragnet.

Police sources told "The Island" that the jeep carrying the policemen from Point Pedro police station had stopped at Nelliadi junction on seeing two "policemen" in khaki halting them. They had stopped and were engaged in conversation with the "khaki men" when the jeep had been fired at. Police said that the assailants had been masquerading as policemen as a ruse to stop the police vehicle.

A car belonging to a businessman of Nelliadi had been hijacked earlier on the Jaffna-Point Pedro road on

Friday. The driver of the vehicle had been dropped at a place called Puraporukki. This car is supposed to have been used by the killers for their Friday operation.

Although the shooting had taken place at the Nelliadi bazaar area, most shops were closed at that time because Friday was the normal closing day at Nelliadi.

Police sources said that the entire Nelliadi area was cordoned off on Friday night itself. Students attending tuitions and people at Theatres were kept in the tuitions and theatres all-night and released on Saturday morning after questioning. Nelliadi junction remained deserted on Saturday as a result of the security cordon. A house-to-house search is also being done. Also no buses were plying on the Point Pedro-Jaffna route.

CSO: 4220/235

## MASSIVE MANHUNT ON FOR COP KILLERS

Colombo THE ISLAND in English 4 Jul 82 pp 1, 4

[Article by Norman Palihawadana]

**[Text]** The Commander of the Army, Major General Tissa Weeratunga and the Inspector-General of Police Mr. Rudra Rajasingham left early yesterday morning for Jaffna as terrorists struck again in the North gunning down four police constables at Nelliaddy.

Police headquarters announced yesterday that a reward of Rs.5 lakhs would be offered to anyone giving information leading to the arrest of the killers. Investigations carried out so far have revealed that Friday night's attack is the work of the remaining hardcore terrorists and may have been carried out to show that the back of northern terrorism had by no means been broken with the arrest of Uma Maheswaran and Prabhakaran in Madras.

The four dead constables are Mallewarachchi of Matale, Arundavrajah of Point Pedro, Ariyaratne of Yatiyanota and Gunapala of Maha Oya. The OIC, Point Pedro, Police Inspector Tiruchittampalam and Constables Sivaraja and Ananda are among the injured.

Point Pedro Magistrate Mr. K.S. Mahesan yesterday visited the spot and carried out a magisterial inquiry. Arrangements were subsequently made to send the bodies of the murdered constables to their respective home towns.

Police say the finger-prints on the jeep have helped in their investigations. The assailants had surrounded the Police jeep in which the men had been on a routine

night patrol. 'They just shot blind since it was dark and visibility was poor', a police source said. After the attack, they had grabbed the four guns in the jeep, fired into the air and fled in a passing car which they are said to have hijacked. A large number of empty shells were found at the scene of the attack.

The condition of the jeep showed that the killers had poured a stream of fire into it, a police spokesman said. Four men died in the hail of bullets and three survived. The three who lived to tell the tale are helping the Police with the investigations. There had been eye-witnesses but no one was coming forward with any information, according to the police.

With the exit of Uma Maheswaran and Prabhakaran, about 20 terrorists were left in the North and this was their work, police said.

EDITORIAL DEPLORES NORTHERN TERRORISM

Colombo THE ISLAND in English 5 Jul 82 p 6

[Text] It must, indeed, appear as a happy coincidence to the Government of the United States of America that the prophets and the oracles of Tamil Eelam should have chosen the day before its Independence Day to begin their Eelam Convention in New York, thus, paying the ultimate tribute to the right of free speech in the US.

In a farewell salute, out-going Secretary of State Alexander Haig had been quick to exploit the point and tell Foreign Minister Hameed that the US Government was dissociating itself from the affair and that the Eelamists were only making use of the right of free speech to gather in New York.

While the pundits were gathering in New York, terrorism struck again in the North, this time, taking four lives. According to all reports, this latest outburst of violence had been as senseless and brutal as all other earlier manifestations of terrorism in the North. Some unknown assailants had surrounded a jeep in which a seven-strong police party had been travelling on a routine patrol and spattered the vehicle with bullets in the dark, killing four men - three Sinhalese and a Tamil. The killings are believed to be the work of terrorists who are determined to show that the back of the terrorist movement had not been broken with the arrest of Uma Maheswaran and Prabhakaran in Madras.

The killings have been promptly condemned by the Tamil United Liberation Front and this is a welcome sign. It is all the more creditable since it comes at a time when the two principal leaders of the party are out of the country. In a statement issued in the absence of Messrs Amirthalingam and Sivasuthamparam, Chavakkachcheri MP V N Navaratnam and Jaffna MP V Yogeswaran have denounced the killings and extended their sympathies to the members of the bereaved families.

These latest killings demonstrate again that the Police and the other security forces cannot afford the luxury of complacency by any stretch of imagination. The terrorist operation has lost its earlier coherence and organisation, but the venom and the sureness of touch are still very much there. Thus, the Police and the security forces come up against two problems.

The first is the long-term one of totally breaking the back of the terrorist movement, a possibility which has been brought several steps closer by the arrests of the two king-pins, and the second is the problem of safe-guarding themselves from terrorist attack in the short-term while the long-term operation is being accomplished.

It is in this context that the Police have to be extra vigilant in order to ensure that their members will not fall unnecessary victims to the machinations of the terror gangs.

This aspect of the question cannot be overstressed. The Police, when they set out on such routine patrols as on Friday night's, should take every precaution to see that they are not caught on the wrong foot. Shouldn't they be more careful when they go out on patrols? Shouldn't they go in a convoy rather than in a lone vehicle, thus offering themselves as ready targets?

But in the ultimate analysis, it is not guns but people who solve problems, and therefore the case for a political solution to the problem cannot be overstressed. It is, perhaps, the proper time for the TULF to begin a concerted campaign at all levels to win the radical youth over to their way of thinking. This is a necessary prerequisite for any political solution to the problem, since, as long as the spate of killings continues, it will not be possible for the Government to approach the problem in the proper frame of mind. The killings will continue to sour the minds of the Sinhala people so that the Government, which after all, derives its support from a section of the Sinhala people, will find it difficult to persuade their people that a humane solution has to be offered.

It is, therefore, up to the TULF to defeat terrorism on a political level.

CSO: 4220/235

## ESTABLISHMENT OF TAMIL EELAM LIBERATION COUNCIL URGED

Colombo THE ISLAND in English 6 Jul 82 pp 1, 3

[Article by D. B. S. Jeyaraj]

**[Text]** The first World Eelam Convention held in New York, USA has passed a resolution stating that a Tamil Eelam Liberation Council be established with immediate effect.

The objectives of the intended Council, according to the resolution would be "to lobby the International Community, to co-ordinate the activities of all groups committed to the idea of Tamil Eelam and to usher in the birth of a new nation."

The resolution which was proposed by Dr. Edward Benedict of New York and seconded by MR. S. C. Chundrakasan of Sri Lanka was passed by 103 votes to two.

All delegates from Sri Lanka including Messrs. Amirthalingam and Sivasithamparam voted for the resolution.

Another resolution to the effect that a government-in-exile of Eelam should be established was referred to the consideration of the intended Liberation Council on the request of the TULF duo.

The resolution was moved by Mr. Krishna Vaikuntavasan of London and seconded by Mr. Kovai Mahesan of Sri Lanka.

Another resolution moved by Mr. Amirthalingam of the TULF and seconded by Mr. Edaventhalan of the TELF nominated a preparatory committee to take the necessary steps towards the setting up of an Eelam Liberation Council.

The members of the committee are Messrs V. W. Panchatcharan, Edward Benedict, Jegathesan, Srinivasan and Vijayanathan of the USA and Dr. S. Navaratnam, Mrs Padma Perinpanayagam and K. Vaikunthavasan of the U.K.

According to reports reaching here the Convention had been devoid of resolutions smacking of an extremist flavour as care had been taken to modify and tone down the nature of the proceedings.

The chief resolution of the conference relating to the setting up of an International Tamil Eelam Liberation Council had found preamble outlining the factors necessitating the establishment of Eelam.

The resolution which called upon the Tamils of the world to unite in the struggle to secure Justice, Security and peace to the Tamil people requested the nations of the world to ensure that the Tamils were not denied their fundamental human rights including their right of self-determination.

Among other things the resolution noted with concern the pogroms against the Tamil people since 1956", the state of emergency in Jaffna in 1979, the Prevention of Terrorism Act, "arbitrary arrests, prolonged detention, torture and killings of Tamil Youth," the burning of the Jaffna Public Library, the Pogrom of 1981 against plantation Tamil", the arrest of Tamil leaders by security forces etc.

CSO: 4220/235

SRI LANKA

**SECURITY AT AIRPORT TO BE INCREASED**

Colombo DAILY NEWS in English 22 Jun 82 p 1

[Text] Security at the Katunayake airport will be re-vamped shortly the board of directors of Airport and Aviation Services Ltd., the company that will run the airport decided on Sunday.

The board, chaired by General D.S. Attygalle, visited Katunayake on Sunday and decided among other things to build an enclosure there that could accommodate at least a 1,000 people to serve Middle East-bound passengers and their families coming to see them off.

A police station will be set up at the terminal for added security. The feasibility of closed circuit television covering the airport will also be explored. This could ensure tight monitoring of the entire area for irregularities, dishonesty etc.

The DIG (Metropolitan) Mr. Edward Gunawardene, will report to the IGP whether such an investment is worthwhile.

The directors of the new company are: General Attygalle, Col. H. B. Wijekoon, Chairman of the Airports Authority, IGP Rudra Rajasingham, Air Lanka Chairman Rakhitha Wikramanayake, Mr. K. Satchihananandan, Chartered Accountant, Mr. H. A. Abeywardene head of the budget division of the Treasury and Mr. D. H. S. Athulathmudali, Additional Director of Civil Aviation.

CSO: 4220/202

## TULF-COMMUNIST UNION UNLIKELY

Colombo DAILY NEWS in English 19 Jun 82 p 6

[Text]

The Communist Party, which so long played a spectator role to the pre-election activity of political parties, has now stepped into the election arena.

It has sounded a call to all opposition parties to unite against the UNP. Already such moves were afoot, but the CP stayed clear of such a United Front when the unsplintered LSSP suggested it.

While an uneasy truce between most opposition parties is predictable on the basis of adversity making strange bedfellows, it is the reaction of the TULF to the CP unity call that is most awaited.

Unlike the SLFP and the LSSP the TULF stands united. Its inclusion in the opposition move will certainly give a United Front considerable and much needed muscle. But from the looks of it the TULF is expected to say a firm but polite "no thank you" to the CP call.

The CP statement — it is not an invitation — has

been sent officially to the TULF, which is expected to give it thought over the week-end.

However, the dice are loaded against unity, according to TULF sources. For one thing, no reference is made to the Tamil problem which the TULF is fighting to solve. For another, the CP and its allies are against District Development Councils, which the TULF has not only accepted but is working enthusiastically on.

The TULF has two areas in the DDC which it is still fighting for - devolution of power to the Central Committee and more finances. It is determined to push the move through and, judging from the UNP's current tie-up with the TULF, those hurdles will be soon cleared.

With the UNP being so co-operative, the chances of the TULF doing an about-turn to the Opposition are definitely remote, even impossible.

CSO: 4220/202

TULF LEADER URGES TAMIL UNITY

Colombo THE ISLAND in English 25 Jun 82 p 2

[Text]

GUNS and other weapons are futile, most essential armament to win freedom is unity said. Mrs. Mangayakarasi Amirthalingam addressing a very large crowd at a public meeting held at Batticaloa by the T.U.L.F. She added that unity was a much more powerful weapon than battalions of heavily armed armies in the quest to achieve freedom.

Mr A. Amirthalingam Leader of the Opposition and the T.U.L.F leader said some Tamils opposed to the T.U.L.F had been constantly asking that Parliament should be boycotted by the Tamils. He recalled how in 1931 certain sections of the Tamils had advocated a boycott of the elections and one of them had been professor K. Nesiah, but on hearing of certain groups advocating a boycott of the elections, the same Professor Nesiah had written to him asking him not to repeat the error they committed by boycotting elections in 1931.

Mr. Amirthalingam said that hasty and premature action by certain youths had resulted in murders and the shedding of blood and this was not desirable.

Mr. Kasi Anandan who presided declared that while Tamils loved the Sinhalese, their language and culture their enemy was only those racist caucus of Sinhalese among the Sinhala community whose greatest desire was to trample the Tamil community.

He said that there was hardly anything to choose between the U.N.P. and the S.L.F.P. for both were parties which truly did not

have the welfare of the Tamils at heart. Both parties had during their terms of government eroded the rights of the Tamils who faced citizenship problems, language problems, colonisation problems and employment problems.

In regard to the language problem it should be remembered that both parties were culpable for it was the U.N.P. which at the Kelaniya conference first mooted making Sinhala the official language, while the S.L.F.P. under Bandaranaike with the promise of making Sinhala the official language in twenty four hours.

In regard to the colonisation problem it was the U.N.P. which colonised the Amparai area with Sinhala colonists, while the S.L.F.P. did the same at Padavaiya he said.

Anandan spotlighted discrimination at the Fisheries Complex Batticaloa Town, where Sinhalese employees were allegedly hired while Batticaloa's unemployed Tamils were kept out, during the S.L.F.P. regime.

During the present regime he alleged that a similar injustice was perpetrated at Prima Flour mill at Trincomalee.

He added that he would not call certain members like Kova Maheshan and Elavandiran who opposed the T.U.L.F. today traitors.

he would only call them political Fools, who were advocating faster and drastic methods though they too may be labelled freedom fighters.

## SUBVERSIVE GROUPS ACTIVE IN MATALE SCHOOLS

Colombo THE ISLAND in English 24 Jun 82 p 2

[Article by Wilfred Amunugama Matale Prov. Corr.]

[Text]

A revolutionary organisation which has infiltrated into schools is gathering momentum in its recruiting campaign amongst boys and girls in the senior and post-senior classes in the Maha Vidyalayas in this District especially in the rural areas.

The recruitment strategy is to enrol the more intelligent students in schools, and some teachers who are active members of this organisation have been found to be openly engaged in spreading revolutionary ideas in their schools and Principals can do very little other than warn them.

It is reliably learnt that some temples in the rural areas have become centres where clandestine classes are being held to teach this dogma, and instructions are being given by 'mod' priests who sport crew-cut hair styles and are proficient in the art of Karate.

As it occurred for the April uprising of 1971, it is quite easy for a student to attend these classes as absence from school is endemic in these areas.

Recently a teacher in a school in a premier Maha Vidyalaya in the Rattota Electorate was transferred to a school in Lageasa as he was

openly bringing politics to the senior students even though he did not teach in any of their classes.

The inquiry also revealed that having shown a letter purporting to be from the Circuit Education Officer, some senior students had collected money and gone to Colombo for the May Day Celebrations, and when questioned had claimed that they alone were responsible for the letter they had forged, and that they had gone to Colombo to hear film actress Nutan sing.

The teacher concerned had also persuaded some teachers on the staff to apply for railway warrants and hand the warrants over to him which the teachers had subsequently cancelled following a warning by the Deputy Principal.

The few officers at the Matale Police Station entrusted with intelligence work are far from equipped to carry out investigations into political developments in the area as their time is taken up by routine security arrangements and keeping tabs on political meetings.

Though the District Transfer Scheme may solve the personal problems of teachers, from the point of view of security these transfers could proliferate the security risk, a police spokesman said.

CS : 4220/202

NEW POLITICAL PARTY PLANNED FOR NORTH

Colombo THE ISLAND in English 21 Jun 82 p 1

[Text]

A powerful Northern Parliamentarian of the minority community now intent on setting up a new political party in the North, informed sources say.

The MP is now making the initial moves and minority Tamil organisations are said to be solidly behind his move.

The MP's strategy seems to be the formation of a social and cultural organisation of his community first and the transformation of it into a political party in time for the next hustings.

He has been touring the peninsula arguing for the imperative need of an organisation on such lines.

At a recent sports meet, he is reported to have stated that he was being accused of having an inferiority complex when he spoke up for his community whereas a person who spoke up for the entire Tamil community was considered a "patriot" and a "nationalist".

The High Command of the MP's present party is not satisfied with his performance and objectives sources say.

A Development Councillor, a Corporation Chairman and a young lawyer are all lobbying for the MP's place on the grounds of his community.

The so-called Minority Tamils comprise of 30 per cent of Jaffna District and have considerable electoral strength in view of Proportionate Representation.

CSO: 4210/202

NEW TERRORIST BOSS TAKES OVER IN NORTH

Colombo THE ISLAND in English 24 Jun 82 p 1

[Article by D.B.S. Jeyaraj]

[Text]

Investigations into recent terrorist activities have revealed the emergence of a new claimant to the mantle of terrorist leadership in the North.

While the kingpins of terrorism Umamaheswaran and Prabhakaran are behind bars in Madras, the new aspirant intends to re-organise the movement with the remnants of the older group, and re-inforced with an infusion of new blood, informed sources say. Security forces have intensified their efforts to trace this person who has been reported "missing" for over three years now.

Informed sources told 'The Island' that the new claimant was a person who had been on trial for his alleged involvement in the assassination of a prominent Northern politician some years ago. He has also participated in youth politics of the North and is said to have considerable influence among Tamil youth.

His whereabouts became a 'mystery' after the 1979 emergency when he is supposed to have gone underground. He is said to have emerged after Umamaheswaran and Prabhakaran were captured in Madras.

Informed sources told 'The Island' that the recent arrests of "Indran" and "Arafat Deva" had revealed information regarding

the formation of the new group. These sources said that the killings of two youths Iraikumaran and Umaikumaran at Alaveddy recently had connections with this new phenomenon. Police sources now believe that these killings had not been sparked off by rivalry between Umamaheswaran and Prabhakaran's group but by this new group.

The killings were part of a plan of systematic elimination of those who might have opposed the new leader, Police say. After this killing, several members of the Uma Prabha group had gone into hiding for fear of their lives.

The new leader is said to be originally a member of the Liberation Tigers Organisation. He is said to have dropped out of the movement due to certain differences. He had been biding his time and has struck at a seemingly opportune moment after the Madras arrests. He is also said to have the backing of expatriate groups in London.

Security sources told 'The Island' that they had been wanting to question this person for some time now but had been unable to lay their hands on him. They said that in the light of recent information, they would be making determined efforts to trace him.

## SRI LANKA

### TELF BID FOR RECOGNITION

Colombo THE ISLAND in English 25 Jun 82 pp 1, 3

[Article by D.B.S. Jeyaraj]

[Text]

Sparks are expected to fly at the World Eelam convention in New York when the newly-formed Tamil Eelam Liberation Front stakes its claim for recognition from the International Tamil Community as the legitimate freedom movement.

Representatives from 22 countries are expected to attend the conference scheduled to be held on July 3 and 4 next month.

Six persons from Sri Lanka, the leader of the Opposition Mr. A. Amirthalingam, TULF President Mr. M. Sivasithamparam, Jaffna MP Mr. V. Yugeswaran, Mr. S.C. Chandrabasan and Mr. Eelaventhan and Kovai Mahesan of the TELF have been invited for the convention.

Although, the primary objective of the Eelam Convention is to formulate a world-wide strategy in regard to "Eelam", observers predict that it would become a forum where the TULF and the TELF would be espousing their points of view about the Eelam demand in the present political context of Sri Lanka.

The contending issue would be as to whether the concept of "freedom first development next" should be the approach adopted by the Tamil people in Sri Lanka.

The TULF is expected to defend its present position as regards the on-going dialogue with the Government, the position of the 5 point demand, its stand on the New Parliament opening, UDI move etc.

Mr. Amirthalingam and Sivasithamparam who, on more than one occasion, have stated that the expatriates who are in no position to bear "responsibility" for happenings in Sri Lanka cannot arrogate to themselves the 'power' to decide for the Sri Lankan Tamils are expected to re-iterate their stand at the convention. They would also try to convert the expatriates to their way of thinking.

Political observers are also intrigued about the role of Mr. Chandrabasan at the convention. What stand would he take, speculate observers.

The organizing Secretary of the TELF Mr. M.K. Eelaventhan however told 'The Island' that Mr. Chandrabasan was with them and would be with them at New York. He said that the majority of the expatriate Tamils were with the TELF as a matter of principle.

He also said that they would try to enlist the support of the World Tamil Community to pressure the TULF into boycotting the next elections.

CSO: 4220/202

BRIEFS

**STOLEN MONEY FOR TERRORISTS--**Millions of rupees robbed by terrorists in the North are being used to secure the release of Umma Maheswaran, Prabhakaran and several other alleged terrorists now remanded in Madras, according to latest intelligence reports received by the Sir Lanka Police. Monies are being spent to create a public outcry against the entrapment of these terrorists by organising street demonstrations, clandestine posters etc. [Norman Paliawadene] [Text] [Colombo THE ISLAND in English 21 Jun 82 p 1]

**CLOSING OF NATIONAL NEWS AGENCY--**The Minister of State, Mr. Anandatissa de Alwis told The Island yesterday that he will recommend to the Government to close down the national news agency "Lankapuwath" "because it is serving no useful purpose". The Minister pointed out that the coverage given by it was unsatisfactory. "Instead of paying Lankapuwath, the SLBC, Government-owned newspapers, etc., can get their news direct instead of the news that is supplied by Lankapuwath". He said, he hardly saw any material from this news agency used in the local press, radio, etc. Its service to the foreign missions, the Minister said, was also not satisfactory. The Government, Mr. de Alwis said, was paying the keep of this service, which he said could easily be dispensed with. Mr. de Alwis' recommendation would go to the Government shortly. [Text] [Colombo THE ISLAND in English 23 Jun 82 p 1]

**TERRORISTS BREAK INTO JAFFNA SCHOOL--**A group of terrorists had broken into the Vishwaneshwara Vidyalaya at Alavetti, Jaffna yesterday and had removed chemicals, from the laboratory, a ronio machine and a typewriter, according to Jaffna police. The police believe that the chemicals which had been stolen can be used in the manufacture of bombs. The finger-print experts were summoned to the scene and they had obtained the finger prints left in the laboratory by the terrorists. The suspects have not yet been arrested but the police have recorded statements of several persons regarding this incident. The police in the Jaffna area will guard all school laboratories to prevent chemicals being stolen. [Text] [Colombo THE ISLAND in English 24 Jun 82 p 1]

**'BOMB FACTORY' RAIDED--**Three persons, who are alleged to be members of a radical political party, have been arrested and material used for the manufacture of hand bombs seized by the Hambantota police. The bomb-making materials which were seized from a house near the Embilipitiya Paper Factory included gun powder, nails and finely ground glass. The police have questioned several members of the trade union branch of this political party. [Text] Colombo THE ISLAND in English 25 Jun 82 p 1]

EMERGENCY COIR CARGO TO USSR--Thirty-eight tons of coir fibre was airlifted to the Soviet Union last week, to meet a sudden shortage in that country said Mr. H. Claude Wickramaratne, director of the firm Jafferjee Brothers. He said his company supplied about 200 metric tons of coir fibre to the Soviet Union every month, by ship. "But the Soviet Embassy wanted us to airlift 38 tons as an emergency measure. It was moved by passenger airliner. No additional freight was involved," he said. Coir fibre being light and bulky causes transport problems. With world fibre prices showing a downward trend, shippers are fighting to get a reduction on sea freight. "There have been instances where bulky cargo was airlifted in small quantities, but this is the first time a large quantity was sent by air," Mr. Wickramaratne said. Some time ago, Sri Lanka tea was airlifted to Australia in cargo aircraft flying back empty after delivering meat to the Middle East. [Text] [Colombo DAILY NEWS in English 6 Jul 82 p 1]

RECONCILIATION OF SLFP URGED--Mr. Maitripala Senanayake leader of the SLFP(M) addressing the delegates conference of the All Island Women's Organisation of his Party said that he was always ready for unity of the two factions of the SLFP but it should be achieved with honour. Even in the future the doors of his party would be open for such talks. The conference which was held at SLFP headquarters at Darley Road, Colombo yesterday was attended by nearly 200 delegates. Mr. Senanayake said that the main reason for his breakaway was Mrs. Bandaranaike's attempt to change the Party constitution according to her whims and fancies. Even before the two factions started any unity talks Mrs. Bandaranaike had laid down conditions and she had wanted him to first apply for membership with Rs. 3.25 as membership fee. With such absurd conditions a self-respecting person could not join her, he said. [Excerpt] [Colombo THE ISLAND in English 3 Jul 82 p 1]

CSO: 4220/235

## ATHIT POLITICAL AMBITIONS DISCUSSED

Islamabad THE MULSIM in English 12 Jun 82 p 5

[Article by Wirasak Salayakanond]

[Text]

**BANGKOK:** The man widely tipped as Prime Minister Prem Tinsulanonda's successor is a workaholic, honest and royalty's "favourite general."

Gen. Arthit Kamlang-ek, Army assistant commander-in-chief and concurrently chief of the powerful First Army Region and director of the Bangkok Peace-Keeping Command, denies any ambition to the premiership. However, unexpected developments in recent months might have already pushed him closer to the country's top leadership than anybody else except General Prem.

A loyal supporter of his former commanding officer in the Second Army Division, now Prime Minister, General Arthit is a creation of events. He was the first high-ranking military officer to rally behind Premier Prem in the April 1-3 abortive coup last year. This decision made him a favourite of the Prime Minister, the Royal Family and the pro-monarchy segment of Thailand.

Although he is only the assistant Army commander, General Arthit is touted to be more powerful than his immediate superiors, General Prayuth Charumarn, the Army commander-in-chief and General Saipud Kerdphol, chief of the Armed Forces Supreme Command.

General Arthit was with the Royal Family in the northeastern province of Nakhon Ratchasima, the headquarters of the Second Army Region, when Army "Young Turks" pulled the coup in April last year.

When the coup failed, General Arthit, whose first and last names mean "the sun" and "powerful

force," was promoted to lieutenant general and commander of the First Army Region and director of the Bangkok Peace-Keeping Command.

Seven months later, he was extended another promotion, this time to general and he was named assistant commander-in-chief of the Thai Royal Army.

As one of two assistant commanders-in-chief, General Arthit is the odds-on favourite to succeed General Prayuth as Army commander-in-chief. "Unless something happens to him between now and October (which marks the annual Army reshuffle) like serious illness, General Arthit should get the job," an observer told Depthnews.

Speculations on General Arthit's plans have already spawned rumours, including one that he was planning a coup of his own. The rumours have been fanned by the unresolved problems in Parliament, unabated political bickerings, labour unrest, skyrocketing prices of prime commodities and corruption in Government.

The rumours had reached hysterical proportions that an aide of the general was forced to roundly deny the reports. "Why should General Arthit have anything to do with such a stupid thing? He is already powerful and is trusted by their Majesties, King Bhumibol and Queen Sirikit, and Prime Minister Prem to even think of a power grab," the aide said angrily.

The general's aide attributed the rumours to his enemies in the failed coup. The coup leaders were arrested, dismissed from the service and jailed for seven months before the Prem Government ordered their release in an amnesty.

The coup leaders have been trying unsuccessfully to get back to the Army, and General Arthit has been blamed for their failure to regain their positions.

As director of the Bangkok Peace-Keeper Command, it was General Arthit who ordered a full alert among the military units when rumours of an impending coup spread. He also sent military policemen to search the houses of the suspected coup plotters.

Born in Bangkok to a poor family, General Arthit has established a reputation of being hard-working and honest. Until the April coup attempt, nothing in his military career showed that he was headed for exceptional success.

At the time of the coup, he was a major general while many of his classmates from the Chulachomklao Cadet Academy had become lieutenant generals or full generals.

His meteoric rise in the military after the April events has sparked criticisms which he deeply resents. Said General Arthit: "I was a major general for four years and during all that time I did not receive any increase in salary. Before that, I was a lieutenant colonel for eight years, fighting the communist terrorists in the jungles without a promotion. But my critics conveniently omit these facts in their attempt to discredit me."

Like Premier Prem, General Arthit is considered as an intellectual and professional soldier steeped in the rigid discipline of his profession. A good follower,

he is known to have followed General Prem's strategy of suppressing the communist movement when the Prime Minister was commander of the Second Army Region in the northeast in the 1970s.

The Prem strategy emphasised "political tactics" before "military operations" in dealing with the communist insurgents.

When General Prem was the commanding general of the Second Army Region, Arthit served under him as battalion leader. He was later named commander of the Third Division attached to the Second Army Region when General Prem became Army commander-in-chief in 1978.

In addition to his duties as commander of the Third Division, General Arthit, then still a major general, also served as director of the combined civilian, police and military operation centre 1718. The centre's main task was to wage a psychological campaign in the three communist-infested northeastern provinces of Loei, Nongkhai and Udon Thani.

General Arthit mobilised the support of local villagers and succeeded in blunting the insurgents' influence in the area. He was voted as a "model Thai citizen" by a noted Thai foundation in 1978 for his leadership in the anti-insurgency campaign.

In 1980, he was named commander of the First Division in Bangkok attached to the First Army Region. The First Division's main task was to provide security to the Royal Family. In early 1981, he was appointed deputy commander of the Second Army Region and was posted in Nakhon

Ratchasima province (Korat). He was in Nakhon Ratchasima province when the April coup was staged.

Besides being the favourite of the Royal Family, General Arthit also finds strong support from General Prem and his former classmates at the military academy. They include Lt. Gen. Harn Leekhond, commander of the Fourth Army Region; Lt. Gen. Pak Mankarit, commander of the Second Army Region; Lt. Gen. Som Khattaphan, director of the Information Department of the Supreme Command, and a number of other ranking officers.

Despite his firm disavowals of political ambitions, General Arthit is already enmeshed in politics. Many interest groups and political parties have tried to woo him for his support. "To many people, the Arthit era has arrived. Interest groups and politicians are stumbling all over him. This is not good," said one of the general's aides.

It remains to be seen whether General Arthit would become Army commander-in-chief when the annual military reshuffle takes place in October. The betting is that a promotion to the top of the military hierarchy would almost inevitably push him on the road to the premiership.

"In Thai politics, the positions of Prime Minister and Army commander-in-chief are almost identical," a political science professor told *Depthnews*. He added: "The problem is that he might get too impatient with the slow-turning democratic process and resort to more drastic actions," obviously meaning a coup. *Depthnews Asia*

EX-DEPUTY FOREIGN MINISTER HITS THAI ASSISTANCE TO KHMER COALITION

Bangkok BANGKOK POST in English 25 Jun 82 p 1

[Text]

PROMER deputy foreign minister Wong Polnikorn yesterday criticised the Government for having declared its open support for the new government of Democratic Kampuchea.

Mr Wong, who stressed that he was speaking personally, said that the Government was involving itself too much in Kampuchean affairs.

He warned against Thailand's involvement in a conflict, particularly that involving neighbouring countries — either because it was drawn or pushed into it. Such a move meant that Thailand was unnecessarily risking involvement in a possible armed confrontation with a party to the conflict.

The opposition MP (Nong Khai Province)

cited as an example the war in Lebanon which the United Nations had so far been unable to stop. "So do not hope for the UN to solve a problem," he said.

Mr Wong said that the Government's involvement in the Kampuchean problem was like playing with fire and suggested that the Government change its position.

He called on the Government to instead concentrate on tackling problems involving the livelihood of the people and the drop in the price of farm products.

He also criticised the Government for wasting time and energy on miscellaneous affairs and referred to Phitsanuloke House, the Prime Minister's new official residence.

CSO: 4220/205

POLICE DEPARTMENT BANS KHOMEINI BOOKS

Bangkok THE NATION REVIEW in English 12 Jun 82 p 6

[Text]

THE Police Department has banned the distribution of eight English-language publications on Iran leader Ayatollah Khomeini and other Islamic activists, an informed source in the Special Branch Division said yesterday.

The source said the Special Branch Division found that the publications, smuggled into the country, were against the belief of Muslims in Thailand.

Police Director General Pol Gen Suraphol Chullapram signed an order No. 678/25 recently to completely ban the import or distributions of the eight publications.

His reason given in the order was that the publications consist of contents that are against the good morale and peacefulness of Thai people.

The police director general said he exercised his power under Article 8 of the Printing Act 1941 and that the order would be officially enforced when it is published in the Royal Gazette.

The title of the eight controversial books are: Mahjubah, Imam Khomeini's Message for Black Friday, Imam Khomeini's message for the 5th of June, Imam Khomeini's Views and Particularities of Divine Religions, Imam Khomeini's Message for February 11th, A Biography of Martyr Ayatollah Beheshti and A Biography of President Martyr Rajai.

The source in the Special Branch Division said some of the books had been taken into the country by mail and some were smuggled in by people here.

Special Branch Commander Pol Maj Gen Opas Rattanaain issued another order banning the distribution of all the eight publications. He also ordered the seizure of all the books in the market.

CSO: 4220/205

THAILAND

GENERAL DON'T CLAIM VICTORY OVER CPT; CITE LAO-SRV TROOP STRENGTH ON BORDER

Bangkok BAN MUANG in Thai 21 Jun 82 pp 1, 16

[Article: "High-Ranking Officers [Try] to Eliminate Black-Power Dictators In Order to Defeat the Communist Terrorists"]

Excerpts] At 1400 hours yesterday (the 20th) at the Sisaothewet Army Club, the Thai Border Defense Foundation, the president of which is Mrs Chongkon Sikanchana, organized a debate on the topic "From Doi Pha Chi to Chong Chang Mountain." Those taking part in the debate included Mom Chao Chakraphanphensiri Chakraphan, Lieutenant General Han Linanon, the commanding general of the Fourth Army Area and Major General Prayat Rotphothong, the deputy commanding general of the Third Army Area. Approximately 1,000 people attended the debate.

The commanding general of the Fourth Army Area talked about the problem of the southern CPT. He said that, at present, their secure bases have been destroyed. The communist terrorists have been dispersed and have gone to fight like guerrillas in the cities in order to tempt us to leave so that they can rebuild their secure bases. If we "fall for" this trick, we will be following their plan and they will grow stronger again. The destruction of the bases of the communist terrorists has weakened the communist terrorists. At present, only the conditions of war remain and these must be eliminated quickly. The conditions of war stem from people among us, including the investors, the people with dark influence and the black powers. These people must be eliminated.

"At present, our military operations have definitely succeeded. But our political operations have not yet won. Thus, we must quickly launch a political offensive. When we launch a serious offensive, we will quickly achieve a complete victory. The problem at Chong Chang has existed since 1965. We ignored it for a long time. But we have now completed things there, including the various zones in the south. But concerning the things I am doing, politicians have told me that I am acting too harshly. Such talk shows that they know very little about what is happening; they have only a superficial knowledge. I have taken action, and I have seen that such an area must be hit hard," said Lieutenant General Han. He also said that, at present, only guerrillas who hope to seize state power are left but this is impossible for them since we are aware of things and will not let this happen. He affirmed that there are no CPT bases in the area of the Fourth Army Area.

Major General Prayat Rotphothong, the deputy commanding general of teh Third Army Area, discussed the successes in the military and political activities in the zone of the Third Army Area. He said they had been able to destroy bases and seize many weapons. In particular, more than 7,000 members of the CPT have surrendered this year. The problems of the Third Army Area are very interesting. That is, in the east, there are 15 battalions of Lao forces and two Vietnamese regiments. Also, the CPT forces in the Shan State number 25,000 men, who are receiving help from China. And the ethnic minorities are still causing trouble. This is because, the CPT in Burma is receiving support from China. There are problems from enemies on many fronts. It can be seen that, at present, the Chinese-faction CPT has conflicts with the CPT in Laos, which is receiving help from the Soviet Union. Thus, they have turned to playing an increasingly important role in the west in Burma. Thus, strong military action must be taken quickly and resolutely. What must be done in the Third Army Area is to create understanding, make things safe and provide [the people] with the necessities of life. The people must really cooperate. Swift action must be taken in praising the good people and criticizing the bad people. Immediate action must be taken against the merchants who squeeze others, against the politicians who seek only profits and against the bad government officials.

Lieutenant General Han later stressed that once the communist terrorists are eliminated, the remaining problem is the problem along the Thai-Malaysian border. Thus, it is necessary to raise the standards of the Muslims so that they have a chance to receive an education and can take part in solving the country's problems just like Thai Buddhists. Lieutenant General Han said that, concerning the Muslim problem in general, even those in the Middle East have begun to understand Thailand's policy. The Muslims understand and are cooperating and helping the country solve the problems. To solve the rural problems, the "3S" principle, that is, education, economics and public health, must be adhered to. If progress is made in these three spheres, we will have the support of the people and the problems wil finally disapppear.

During the debate, people in the audience asked questions about various problems. For example, they asked whether the communist terrorist problem in the south has really been solved and what the reasons are for believing that it has been solved. Lieutenant General Han replied that "I did not say that. I have to deny that. I have constantly said that we have still not won. They are still carrying out acts of terror. If we act as if we do not know anything, this will expand into a guerrilla war again and later become a regular war. At present, the problem is that there are still war factors that we must eliminate.

1194

CSO: 4207/116

THAILAND

RTAF FACES PERSONNEL SHORTAGE, RESERVES TO BE CALLED UP

Bangkok SIAM RAT in Thai 18 Jun 82 pp 1, 12

[Article: "There Is a Shortage of Air Force Personnel; Reserves Will Be Called Up"]

[Text] The RTAF has enough active personnel to defend the country for only a limited time. Reserve officers and commissioned officers must be called up in order to make preparations. They will be called up on 25 June. It is expected that there will be only 550 such officers.

Yesterday, Group Captain Wiphat Krasaetanon, an air force spokesman, announced that, at present, Thailand still faces both internal and external threats. "The number of air force personnel on active duty is sufficient for defending the country for a limited time only." Because of this, Group Captain Wiphat stated that the air force must make preparations to mobilize men in order to have enough men when the country needs them. This call up will take place on 25 June only.

Concerning this call up of personnel, only reserve officers and commissioned officers with the rank of pilot officer to wing commander will be called up.

Group Captain Wiphat stated in conclusion that those officers who receive mobilization orders should report to the Personnel Mobilization Division at the Air Force Academy at Don Muang. If anyone shirks his duty or disobeys, he may be in violation of the Military Criminal Code.

As for the present number of reserve air force officers, Group Captain Pracha Mumthanya, the security-general of the air force, told SIAM RAT that there are approximately 550 officers. The purpose of this call up of personnel is just to check this number. Nothing much is involved as in the army.

11943

U.S.: 4207/116

EDITORIAL CITES ISRAEL AS AGGRESSOR IN LEBANON

Bangkok THE NATION REVIEW in English 11 Jun 82 p 4

[Editorial]

[Text]

**ISRAELI DEFENCE MINISTER** Ariel Sharon announced yesterday that the PLO guerrillas' bases in southern Lebanon have all been captured and destroyed. The official goal of the Israeli invasion of Lebanon has, therefore, been achieved. Yet, all reports from Lebanon yesterday indicated that Israeli forces intended to capture Beirut as well. This confirms the earlier impression of Middle East observers that Israel may try to install a friendly Christian regime in Beirut and turn Lebanon into a close ally of Israel. We completely agree with Belgian Foreign Minister Leo Tindemans, speaking as the spokesman for the European Community, that what is happening there cannot be justified.

Failures of Lebanon and Syria to restrain the PLO, coupled with the impotency of the UN Interim Forces in Lebanon (UNIFIL), and the assassination attempt on the Israeli Ambassador to Great Britain precipitated the current crisis. But failure of Israel to know its limit is deepening the crisis and threatening to escalate the crisis into another full scale Middle East war.

The Israeli defence minister said Israeli forces had "no intention" of attacking Syrian positions; Syrian forces were thus advised to leave Beirut as Israeli forces prepared an all-out attack on the Lebanese capital. In spite of this disclaimer, Israeli war planes attacked Syrian anti-aircraft units in the Bekaa Valley in eastern Lebanon bordering on Syria. Some of the anti-aircraft units,

considered to be vital to Syrian security, were destroyed. At least 16 Syrian planes were also shot down in one of the biggest air battles in the Middle East history with Israeli planes over eastern Lebanon.

Understandably, other Arab countries could not remain aloof to such an Israeli power move. Iran has announced its intention to go to war against Israel. Saudi Arabia and Algeria have pledged their full support for Syria. And the Arab League is calling for an urgent meeting on the Israeli invasion of Lebanon. We are afraid, however, that escalation of the crisis will not serve any reasonable purpose. The Israeli unrestrained and arrogant actions in Lebanon already proved this point.

The PLO terrorism against Israeli settlements does not warrant such an Israeli invasion of Lebanon, much less a conquest of the weak country. By what right, then, can Israel claim to justify what it is doing in Lebanon? Israeli arrogance of power could only blow up the Middle East and destroy all hopes of a peaceful solution to chronic problems in the troubled region.

We, therefore, join the EC 10 in condemning Israel for the iniquitous act against the territorial integrity and sovereignty of Lebanon. The Israeli aggression must stop and all Israeli forces withdrawn from Lebanon so that all parties concerned could examine their failures and learn something. It may be too late if Israel refuses to stop now.

EDITORIAL BLASTS PLO, ISRAELIS ON LEBANON WAR

Bangkok BANGKOK POST in English 12 Jun 82 p 4

[Editorial]

[Text]

IT seems clear by now that the Israelis cannot be restrained either by word or deed and will continue their invasion of Lebanon until they are satisfied that their objectives have been achieved. These objectives are at least the elimination of the Palestinian guerrilla bases, and probably also the seizure of control over Beirut with the intention of influencing next month's Lebanese national elections. Pleas for moderation from US President Reagan have had about as much effect as ritual UN Security Council condemnations — but then there is widespread, and understandable, suspicion that the United States, whatever pious platitudes it murmurs in public, has given its blessing to the Israeli action.

It did not take a crystal ball-gazer to predict that this invasion would occur. It has been apparent for some time that the Israelis were preparing for offensive military action and were only awaiting an excuse. The shooting of the Israeli diplomat in London provided that excuse.

While the Palestinians are suffering a military defeat they can still claim a propaganda victory, as most non-US reaction to the Israeli invasion has been highly critical, with even the relatively restrained statement issued in Bangkok and the other ASEAN capitals yesterday calling for Israel to withdraw forthwith. But given the appalling bloodshed, that propaganda victory can be little consolation.

The question now is, how can the Palestinians respond? Must the next stage be a widening and intensifying of the military conflict, or is there any hope at all for a change of heart and moves towards a negotiated, durable peace?

Already some Palestinians are asking themselves where war and carnage has got them. Are they raising their children to be nothing more than intrepid warriors and killers? Is that their sole aim in life? Or is it simply that they are so mesmerised by the slogan-chanting leaders like Arafat, Nayef Hawiyyah, Abu Iyad and the rest of the PLO clique that they see a group of heroic liberation fighters when in truth they are led by no more than ordinary politicians sacrificing their people to keep themselves in power?

Not since the Arab-Israeli problem first surfaced in international relations in 1923 has the Palestinian view looked so bleak. In the beginning, there was some sympathy for a homeless people. That ebbed when the wars and terrorism began. Seeing that was not doing them any good, the Palestinians stopped hijacking planes and, with the help of Saudi clout, began winning themselves recognition in various world capitals.

But that sympathy has not always been easy to retain, partly because of a perceived preference for war rather than negotiation, partly because of

sporadic terrorist acts inside Israel which provided the Israelis with all the excuse they needed to shatter a fragile ceasefire.

Perhaps it is time for the Palestinians to consider an alternative, if they can swallow their pride with the same guts with which they wage war. Perhaps they ought to question whether they can ever regain their land through more hostilities, and whether the long term interests of their own people and all the rest of the Middle East might not be better served by following the path blazed by Anwar Sadat and attempting to negotiate a peaceful settlement, one that would have to acknowledge the right to exist of the Jewish state.

Or perhaps it is too late for that. All across Lebanon now there are people who have lost fathers, mothers and children in Israel's latest assault, people who had never played any active role in Palestinian combat who have now been dragged into a conflict they had hoped would leave them alone. The sheer scale of the Israeli bombardment of Lebanon and its people may preclude for ever their being able to see Israel as anything other than a ruthless, expansionist state, with which civilised co-existence is impossible.

CSO: 4220/205

#### EDITORIAL VOICES CONCERN OVER UNEMPLOYMENT

[Editorial: "The Unemployment Situation"]

(Text) Besides inflation, another important danger in the disheartening economic situation that is occurring throughout the world is high unemployment.

Thailand, which is a developing country, is affected by the world economy and cannot avoid the effects of these two factors. While the industrialized great powers are complaining about the fact that unemployment is rising rapidly, the latest figures available from the Public Welfare Department show that 2 million of Thailand's 48 million people are unemployed.

However, we have some doubts about the accuracy of these government figures on unemployment and feel that shocking figures may have been concealed. Thailand is a developing country and the lives of the people depend on what they do to help themselves. There is no state welfare system as there is in the developed countries. The unemployment rate in the developed countries is fairly accurate because those who are unemployed must rely on welfare benefits and to obtain them they must go register. But this is not the case in Thailand. The number of unemployed people who are looking for work is certainly higher than this [2 million].

How much higher unemployment is among Thais is not the important thing. What is important is that the unemployment rate seems to be rising. Since the farmers, who comprise the majority in the country, are experiencing difficulties in carrying on their occupation since crop prices have fallen and they cannot recover their costs, this agricultural season, even though this is the time of greatest employment in the country, there will certainly be a large number of people who abandon farming and go to earn a living by using their labor. This will result in the overcrowded labor market becoming even more overcrowded.

Since Thailand's political and economic situation is like this, it will take time to solve the problems and find work for Thais in the country because of the many conditions, including investments, which have not improved very much. This is likely to cause people to seriously consider encouraging greater numbers of Thais to go abroad to work. Such things have been talked about many times before. But the government has only taken action to save face, that is, it has taken action to solve problems only after they have arisen. Thus,

concerning the various targets aimed at gaining great profits from Thai labor in this field, fewer results have been achieved than should have been.

We do not know how interested the National Economic and Social Development Board is in the development of Thai labor abroad. But from the standpoint of earning foreign currency for the country, this is necessary. And among the developing countries, it is difficult to find others who have the same chance as Thai laborers. The inclusion of such a plan in the National Development Plan should not result in any losses.

1194?

CSO: 4207/116

THAILAND

FOREIGN INTERFERENCE IN LABOR MOVEMENT REPORTED

Bangkok SIAM RAT in Thai 14 Jun 82 pp 1, 12

[Article: "Foreign Labor Groups Are Supporting Thai Laborers"]

[Text] Approximately 20 foreign labor organizations are competing to become involved with and provide help to Thai laborers. These organizations, both from the free world and from the socialist camp, are providing both financial help and equipment. The Labor Department says that it cannot control this. The godfather of the Red Gaurs has said that he feels this is all right if it is not a trick since Thai laborers must increase their knowledge.

A news source in labor circles has told SIAM RAT that, at present, many international labor organizations, including organizations from both the free world and from the socialist camp, are playing a great role among our laborers. Examples are the International Confederation of Free Trade Unions (ICFTU), which is an organization of the free world, the Asian-American Free Laborers Institute (AAFLI), which is an American organization, a branch of the AFL-CIO, which is a national labor organization, the International Hotel and Food Federation, the International Telecommunications Union, the Frederick Abrett Foundation and the World Federation of Trade Unions (WFTU).

The same news source stated that the role played by these international labor organizations is usually one of providing money to Thai labor groups so that they can hold seminars or they provide office equipment to the various labor unions. Sometimes, they provide funds for labor leaders to go take part in seminars held abroad.

"As for examples of an international labor organization providing help, the news source stated that the Labor Council, which is headed by Mr Phaisan Thawat-hainam, had received help from the ICFTU. And the council of Mr Sanan Wongsuthi has received help from the BATU. Both of these unions are members of these international organizations.

Concerning this, the Labor Department has stated that it is true that international labor organizations are now playing a role in Thailand and that "approximately 20 organizations are involved here." The same official stated that the "Labor

Department cannot supervise everything." The only thing the Labor Department can do is send officials to observe things at the seminars or monitor things on occasion. The other thing it does is to inform the government of such matters in order to find ways to supervise these organizations as closely as possible in the future.

Major General Sutsai Hatsadin, the former minister attached to the Office of the Prime Minister, said that the fact that international labor organizations have organized seminars is very beneficial because the laborers need to increase their knowledge in order to improve their occupations. "It depends on whether those who are getting involved here have good intentions or not. If they are trying to play a trick, this is not correct."

Mr Sawat Lukdot, the secretary-general of the Labor Council, said that, as far as he knows, these international labor organizations "have organized seminars every week. I feel they are playing a great role." But he has no objections to this. The only thing is that he does not agree with those who have received help from these organizations "since some people may create conflicts among the laborers." An example is the "labor trade union, which once experienced problems," stated Mr Sawat.

11943  
CSO: 4207/116

## CAR ASSEMBLY PLANT CALLED 'FLASCO'

Bangkok THE NATION REVIEW in English 11 Jun 82 p 4

[Article by Trent Bertrand and Pawadee Tongudai]

[Text]

BAD economic policy can be costly to both consumers and the country, but, since these costs are not immediately evident, policies which are in fact worthless to the Thai economy are kept on in the belief that they are contributing to the economic development of the country.

Just how costly this bad economic policy is can be seen when it is realized that heavy protection from import competition has diverted entrepreneurial abilities, labour resources, and both domestic and foreign investment into high cost industries that may be profitable for their owners but raise costs for consumers or imply losses to government revenue to such an extent that many are basically worthless for the economy.

These costs are not immediately evident to the many Thai consumers who, for example, feel that the only reason they cannot afford an automobile or must pay almost three times the cost of importing a car is that the Government is collecting the difference as tax. Nor do the revenue losses appear explicitly in the government budget. If they did, it is doubtful whether these policies would be allowed to continue. Since they don't, the Government officials who design the policies and the businessmen who benefit from them can pretend, or perhaps even believe, that they are contributing to the economic development of the country.

In the case of the motor vehicle industry in Thailand, to roughly quantify the hidden costs, we will consider what happens to government revenue when an imported CBU (completely built up) car is replaced by a domestically assembled CKD (completely knocked down)

using some domestic parts. The imported and locally assembled vehicle in our example are assumed to sell at the same price, reflecting the consumer's judgment that they are of equivalent value. (Since consumers generally prefer a car assembled abroad because some components and assembly work are of higher quality, this effect has been accounted for in our example in the choice of the models to be compared).

If CBU imports were not banned, the Government could obtain about 75,000 baht in business tax and about 75,000 baht in import duties on the imported car (the total of 150,000 baht is about 60% of the consumers' price of 250,000 baht). If a car of equivalent value were assembled locally, the Government would obtain about 65,000 baht in business taxes and about 40,000 baht in import duties on the CKD unit (the total of 105,000 baht is about 40% of the consumer's price).

The direct loss of 45,000 baht in import duties and business taxes with local assembly is partially offset by taxes obtained from import duties on components for locally manufactured parts and from business and other taxes leveled on these firms. If these are accounted for, the net loss in revenue is reduced to about 30,000 baht.

Passenger car sales over the past few years have been about 25,000 units a year. Therefore, the lost revenue from passenger car assembly alone would be about three quarters of a billion baht.

This estimate of per unit revenue loss from passenger car assembly is conservative. The complete ban on imported cars means that the official

import duty of 150% is not necessarily meaningful. The 135% duty used in our calculations, in combination with the lower business tax rate on local assembly, is what we estimate would be required to allow local assembly of this type of vehicle to continue if the ban on imported cars were removed. If, on the other hand, local assembly required the full 150% duty to survive, actual losses in government revenue would be substantially higher. We have also dealt with a relatively low cost passenger car. The lost revenue on the more expensive cars that are assembled in even smaller volumes would again be higher. While the per vehicle loss in revenue is somewhat lower on commercial vehicles, many more of these are assembled in Thailand. When account is taken of the 65,000 commercial vehicles per year and of motorcycles assembled in Thailand, we are dealing with a total cost that is in the area of two billion baht a year.

Let's put this in some perspective. It means that for the fiscal year 1982, this revenue could have financed 45% of budget expenditures for all state universities, almost a third of budget expenditures for public health, about two thirds budget expenditures in support of all state enterprises, and is almost three times the total budget for the Ministry of Industry. If it were divided equally between the 25% of Thai households officially classified as being below the poverty line, the lost revenue would have amounted to almost one thousand baht per household.

## Losses

*Why do such losses result just because vehicles are assembled in Thailand?* The answer lies in the economies of scale in mass production. The per unit cost of a car is much lower on high volume production lines. Even if there were no restriction on local content, cars could not be assembled efficiently in Thailand. It is more costly to pull components out of highly automated assembly lines producing hundreds of thousands of vehicles a year in Japan, pack, and ship those components to Thailand than to finish the assembly in Japan and ship a completed car. The CKD unit would cost more than the CBU unit if all components were included. Therefore, even if the labour, capital, and managerial

costs of assembly in Thailand were zero, it would still not be efficient to do it here. The staggering losses resulting from an incentive and tariff system that makes it profitable for firms to carry out local assembly in spite of this fact are compounded by forcing firms to use local parts, many of which are also produced very inefficiently in Thailand behind barriers to import competition.

*How could such errors in economic policy have been made?* One might be tempted to think that it is only because influential groups, no matter how small, can distort policy in their favour. While there is some truth in this, a much more basic failure in economic policy is involved.

The efficiency of a free market with tax receipts equalised between alternative ways of obtaining goods (by imports or local assembly or production in this case) has not been understood by policy makers. The search for profits by businessmen using information and skills developed after years of experience in particular industries would direct resources to areas where the value of goods produced exceeds the costs of all resources used in their production. Errors might be made but they would be shortlived as firms, paying for the consequences of their own mistakes, would quickly withdraw from unprofitable ventures. It is far different when vastly divergent incentives and disincentives are applied to different activities by policy makers with a superficial understanding of the myriad of activities affected by their policies. Decisions are made in the name of stimulating industrialisation, providing jobs, saving foreign exchange, or encouraging foreign investment. Generally, policies turn out to be counterproductive, any benefits being more than offset by harmful effects elsewhere. This results as resources are drawn from more productive sectors as disincentives are created by the taxes required to offset the revenue losses of the type defined above, or as the high prices of goods produced in highly protected industries raise costs of inputs and undermine profitability for other firms.

Even if we neglect these indirect effects, the two billion losses make any of the direct gains excessively costly. The vehicle assembly industry employs less than 5,000 workers and if account is taken of workers in local parts industry, the total might rise to at the very most 10,000. Some of these workers do pick up useful

	Local assembly (thousand baht)	Imported (thousand baht)
<b>Import (CIF) price of</b>	(CKD) 50	(CBU) 60
<b>Import duty</b>	(80%) 40	(135%) 75
<b>Local parts</b>	40	—
<b>Assembly costs</b>	10	—
<b>Business costs and profits</b>	55	45
<b>Business and municipal taxes</b>	<u>(33%) 65</u>	<u>(44%) 75</u>
<b>Consumer's price</b>	260	255

training, although the benefits are easily exaggerated since the skills used on an assembly line are often less complex than those acquired by the local car repairman operating out of a small shophouse. But just ask yourself if such benefits are worth 200,000 baht a year per job. This is the cost if the two billion baht revenue loss is distributed over the maximum 10,000 employees in assembly and parts manufacturing and it is a cost that must be incurred year after year indefinitely. This level of expenditures for a much shorter period would be sufficient to finance education in the most sophisticated subjects at the best universities in the world for an equivalent number of people.

*Are the local and foreign businessmen in assembly operation to be blamed for this waste?* Virtually all businessmen, local or foreign, respond to the potential for profit. For the success of the business, it doesn't matter if they are found by developing new products or production methods to be introduced in competitive markets or whether they are found by taking advantage of, or by lobbying for, favourable government policies that generate profits in highly protected and restricted markets. For the well being of the rest of the society, it makes a great deal of difference. We get the benefits from better products or lower prices in the first case but directly or indirectly must pay all the costs through higher prices or heavier tax burdens for the inefficiencies inherent in the second case. It is the Government's fault for distorting market so excessively.

*Can anything be done to stop this waste?* The tragedy of poor economic policy is not only that it can be so

costly but that it becomes so difficult to change. Foreign firms — who know how ridiculous it is to carry out local low volume assembly and who would have preferred at the beginning to operate in an environment with equal taxes levied on imported and assembled cars — have now sunk large amounts of capital into costly facilities designed to capture their share of the profits generated in the two billion baht fiasco. Local investors and local parts manufacturers stand to lose even more since they have no hope of offsetting business losses that would be incurred if the hidden subsidies were stopped with improved export business from plants located abroad. Workers would also vehemently oppose any change in industrial policy that would cost them their present jobs although each one of them would happily walk out of the plant and find another job if offered a small part of just one year's share of the hidden subsidies per job — the 200,000 baht we have calculated earlier.

Most importantly, government officials connected with these past policies would fight against any change that would be an admission of the billions and billions of baht that they have cost the people of Thailand over the years. In such an environment, no one should have any illusion that economic common sense can easily prevail.

## Problem

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*What should be done about the motor*

*vehicle assembly industry?* One could approach this problem by recognising the obstacles to reform and simply try to prevent things from getting worse. This is certainly a worthwhile objective. As the market grows and the local content requirement goes up, we might soon be talking about a three or four billion baht a year fiasco. Policy authorities who successfully block increases in these costs will be providing great benefits to Thailand. The key policy move would be to lift the ban on CBU imports so that the growth of the local assembly industry could be stopped. It would also be wise to reduce the local parts content requirement (which has been increased from 30% in 1980 to 45% at present for cars and from 25% to 35% for commercial vehicles). This rule is aimed solely at protecting inefficient local parts producers and is often based on arbitrary decisions with little connection to reality (e.g. simple splash guards are treated as 1% of the car). If these requirements could be reduced to 25%, this would decrease the present losses since there are enough parts, such as batteries and tires, that are competitively priced in Thailand to allow the rule to be satisfied without raising assembly costs.

Of course, it would be better to simply eliminate the local contents rule and allow firms to find the cheapest source of parts while correspondingly reducing the implicit subsidies to such firms.

The second approach is sounder-economically but much more difficult politically. A more fundamental change in policy should be part of a broader reform aimed at eliminating the protection to import substituting industry that has been so costly to consumers, taxpayers, and workers in Thailand. (The protection is harmful to workers because it has favoured capital intensive industries that use little labour and has been biased against industries using a lot of labour.) If the extremely high tariffs and taxes on imported CBU cars are maintained, they should be matched by tariffs on CKD components and parts and by excise taxes on local production designed to equalise government revenue per vehicle. No doubt, this would destroy the motor vehicle assembly industry in Thailand, but it will release these

resources for more productive use elsewhere and will leave the economy much better off even if all these factories were left to rot and all the workers were left unemployed (neither of which, of course, would occur).

While this option would generate the two billion baht a year in revenue which present policies are wasting, it really doesn't make sense to have all this revenue descend on the Government. After all, such revenue partly pays the salaries of bureaucrats who sit around creating other billion baht fiascos. Tariffs should be greatly reduced not only on cars but across the board. Bangkokers who already have cars or who own protected factories (or in other ways benefit from present industrial policies) may shudder at the thought of freer trade in general or of cheap cars in particular. But Bangkok is not all of Thailand, nor even its most important part.

While there are severe adjustments to be made, the other great cities of Southeast Asia have done much better than Bangkok under free trade without advantages based on access to low cost labour and raw materials and without drawing large subsidies from lower income groups in the rural economy through heavy export taxation on agriculture and heavy protection to industry. One of these, Singapore, has done it to the benefit of the vast majority of its citizens at the cost of its own vehicle assembly industry that collapsed in its move towards free trade. The other, Hong Kong, never made the mistake of protecting such an activity to begin with.

The price of the 250,000 baht car, even maintaining a government tax of around 10%, could be reduced by two thirds. Farm income from such products as rice, rubber, and maize if the recent agricultural policy changes could be extended and maintained as markets recover from the present slump, would increase rapidly. It might not be long before many more Toyotas are parked outside the farmhouses whose owners have generated much of the wealth of Thailand. Such a shift in economic policy is long overdue, even in the unlikely event that it might imply fewer BMW's and Mercedes Benz's in the streets of Bangkok.

THAILAND

BRIEFS

PIRACY SUPPRESSION UNIT--The Royal Thai Navy is scheduled to officially open its pirate prevention and suppression unit in the southern province of Songkhla next Tuesday [20 July]. Presiding over the ceremony will be supreme commander Gen Saibut Koetphon. The pirate prevention and suppression unit has been set up with the grant aid of \$3.6 million contributed by 12 donor countries through the UN High Commissioner for Refugees. Part of the money was used for the procurement of modern equipment in order to increase the efficiency of pirate suppression operations in the Gulf of Thailand. The rest will finance the 1-year suppression operations of the Royal Thai Navy, the marine police division and the harbor department. [Text] [BK140547 Bangkok Domestic Service in English 0000 GMT 14 Jul 82]

NATURAL GAS EXPORTS--At its weekly session last Tuesday [13 July], the cabinet resolved to permit the export of Thai natural gas. The amount of gas to be exported will not affect domestic consumption and national reserves. The cabinet will also set up an agency to produce and export the gas in cooperation with local or foreign investors. In an announcement issued last Tuesday, the cabinet says that the government has an aim to develop natural gas resources to the extent that it gives highest benefits to the people. Exporting it is one way to benefit the country because it means more foreign exchange for the country. Furthermore, the government would also earn more income from sales tax. The export would also help create more jobs for Thai workers and boost investment atmosphere in the country. [Text] [BK150332 Bangkok Domestic Service in English 0000 GMT 15 Jul 82]

CAMPAIGN AGAINST CPM--Three additional battalions have been sent to join six other battalions of the 4th Army Region in an attempt to step up campaign against the Communist Party Malaya or the CPM in southern Thailand. Chief of staff of the 4th Army Maj Gen Wanchai Chitchamong says that the major goal of the operation is to weaken the party by uprooting them and keeping them on the run. Major General Wanchai says that the operation has been expanded to all target areas along the Thai-Malaysian border. At the same time, the Thai Government also intensified its psychological warfare efforts to persuade the CPM guerrillas to give up fighting and surrender. [Text] [BK120344 Bangkok Domestic Service in English 0000 GMT 12 Jul 82]

CHINA BUYS RICE--It has been reported that China has placed an order for 10,000 tons of Thai rice worth about 40.5 million baht, bringing its total purchases within 1 week to 110,000 tons worth about 580 million baht. [BK131215 Bangkok Voice of Free Asia in English 1100 GMT 9 Jul 82 BK]

UNICEF AID FUND--Self-defense villages in seven provinces near the Thai-Kampuchean border will be provided with improved sanitation system under a project which will be implemented by various government agencies. The project will also concentrate on finding water sources and be launched with a 14-million baht fund provided by UNICEF. [Bangkok Voice of Free Asia in English 1100 GMT 9 Jul 82 BK]

FOREIGN TRADE DEFICIT--The director general of the business economics department has revealed that Thailand has improved its international trade position with preliminary figures showing a trade deficit of about 6.16 billion baht for the first half of this year. The department has estimated this deficit by using statistics from the foreign trade department. It represents a decrease of about 80 percent from last year's deficit during the corresponding period which is around 23 billion baht. [Bangkok Voice of Free Asia in English 1100 GMT 12 Jul 82 BK]

EEC TEXTILE ACCORD--The director general of the Foreign Trade Department of Thailand has disclosed that Thai textile industries will benefit from the bilateral agreement Thailand had signed with the European Economic Community as negative measures have been solved and the negotiated terms are acceptable under the current circumstances. The package deal is for some 144 categories of textile products of which Thailand has 14 categories to be subjected to quota controls because their exported quantities have reached the ceiling amounts which trigger quota negotiations. The private sectors concerned in textile industries had also attended the talks in Brussels with the government officials and they approved the signing of the 4-year pact. Thailand is the first ASEAN member to reach agreement with the EEC under the guidelines of the multifibre arrangement, and the seventh among the 28 developing countries that the EEC is negotiating new textile agreements. According to the director general, ASEAN's common position is for increased quota in textile talks with the EEC but the production circumstances and quota preferences are different for each ASEAN member. Thailand has included a package deal that includes some cuts and some quota increases which overall are quite acceptable and would benefit the domestic textile industries during the next 4 years. [Text] [BK141143 Bangkok Voice of Free Asia in English 1100 GMT 13 Jul 82]

HUNGARY BUYS RUBBER SHEETS--Hungary has agreed to buy 200 tons of Thai third grade smoked rubber sheets worth about 3 million baht for immediate delivery from Asok International Company Limited. [BK100923 Bangkok Voice of Free Asia in English 1100 GMT 8 Jul 82 BK]

CORN EXPORT FIGURES--Thailand's maize exports during the first half of this year totalled about 1.5 million tons valued over 4.6 billion baht, an increase of 73 percent in volume and 49 percent in value, compared to the corresponding period of last year. [Bangkok Voice of Free Asia in English 1100 GMT 7 Jul 82 BK]

TOBACCO EXPORT--According to the Bank of Thailand, during the first 3 months of this year Thailand exported about 7,000 metric tons of tobacco leaves worth about 412 million baht, or an increase of 18 percent in volume and 74 percent in value from the amount exported during the same period last year. In May exporters had also sought permission from the excise department to export another 5,000 tons of tobacco leaves to new markets which include China, Britain, Japan and West Germany. The United States also in May ordered a considerable amount of Turkish leaves from Thailand. [Bangkok Voice of Free Asia in English 1100 GMT 8 Jul 82 BK]

RICE TO PRC, INDONESIA--China and Indonesia have signed agreements with Commerce Ministry to buy altogether over 200,000 tons of Thai rice worth nearly 1.2 billion baht. The rice shipments are for delivery between July and December. [BK080515 Bangkok Voice of Free Asia in English 1100 GMT 6 Jul 82 BK]

NEW UNHCR HEAD--The new head of the United Nations High Commission for Refugees (UNHCR) for Southeast Asia, Ian Simington, arrived in Bangkok last night to take up his post. Simington succeeds Mr Zia Rizvi who has been appointed the high commissioner's regional representative to the United Nations Headquarters in New York. Simington, 43, has served in the Australian civil service for more than 20 years in various positions in the departments of external affairs, defence and the department of the prime minister and the cabinet. He also held positions in Burma and Indonesia, and participated in a number of international conferences concerned with humanitarian affairs. Prior to this new appointment. Simington was assistant secretary in the department of immigration and ethnic affairs of the Australian Government. [Text] [BK080421 Bangkok POST in English 6 Jul 82 p 3 BK]

NEW POLITICAL GROUPING--A new political grouping, comprising businessmen, bankers, technocrats, veteran politicians and labour leaders, is being formed and is to be registered as a political party. Ex-deputy Bangkok governor Mongkhon Simarot, one of the group's cofounders, told the BANGKOK POST over the weekend that the "Ratchapruk" group, after its registration as a party with the local administration department, would field candidates in the general elections next April. [Excerpt] [Bangkok POST in English 6 Jul 82 p 1 BK]

U.S. INVESTORS GROUP--The Thai Government will cooperate closely with investors to overcome obstacles to local investment. This was assured by Prime Minister Prem Tinsulanon to visiting delegates of the Overseas Private Investment Corporation of the United States. The prime minister told the 16-member delegation that Thailand welcomes American investors and will make provisions to boost their confidence in this country. He also urged those investors to seek as many opportunities as possible to meet with the Thai private sector. The U.S. delegation is sent here in response to the call of Prime Minister Prem who visited the United States late last year and urged the American investors to come to Thailand. This delegation is the first group on this call to consult the Thai private sector for the expansion of investment in this country. The delegation, led by the Overseas Private Investment Corporation President Mr Craig Nalen will stay in Bangkok until Friday. [Text] [BK140627 Bangkok Domestic Service in English 0000 GMT 14 Jul 82]

JAPANESE LDP ECONOMIC MISSION--Bangkok, 15 Jul (KYODO)--A Japanese economic mission has promised Thailand that a study would be made on Japanese technical assistance in development of natural gas reserves in northeastern Thailand, and the transportation of gas thus developed. The ruling Liberal-Democratic Party (LDP) mission made the promise at a meeting with Thai Prime Minister Prem Tinsulanon Tuesday, the mission's leader has told reporters. The mission, led by Masumi Esaki, chairman of the LDP's special committee on international economic relations, also met Chatchai Chunhawan, minister of industry, and other ministers concerned on Tuesday and Wednesday to discuss trade and other matters. Esaki said he obtained the impression that the Thai Government was highly assessing the Japanese Government's recent tariff cut and other measures for opening the market wider. The mission arrived here Monday on the first leg of its 12-day tour of Southeast Asia. Later, the mission is expected to visit the Philippines, Hong Kong and Taiwan. [Text] [OW150549 Tokyo KYODO in English 0511 GMT 15 Jul 82]

OPERATION IN SOUTH--Betong--The military is considering changing the tactics in its massive suppression operation against communist insurgents and separatist gangs in this southern border town because the results of the operation so far have been unfavourable, a military source said. Since the operation, codenamed "Tai Rom Yen 2," began one week ago, more than 40 government forces have been killed or wounded, while only three bodies of bandits and insurgents had been recovered, he said. The source said the results of the operation were unfavourable for the government. He declined to reveal what would be the new tactical operations against the insurgents. An officer of the Internal Security Operations Command (ISOC) attached to the fourth army region, Lt-Col Wichai Charuwat, last night thanked about 5,000 people who attended a military band concert in Betong for their cooperation with the government in the suppression operation. The present campaign against insurgents includes the dropping of leaflets from the air. The government also provided free music to the public to boost their morale. One of the best methods to reach the people is to contact villagers' leaders to make the government's policy known to them, a military source said. [Text] [BK081333 Bangkok WORLD in English 8 Jul 82 p 3]

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